

Date: 18th November, 2020

To,
BSE Limited.
Phirose Jeejeebhoy Towers
Dalal Street, Fort.
Mumbai – 400001

Dear Sir/Madam,

Sub.: Notice of 35th Annual General Meeting of the Vishal Fabrics Limited
Ref.: Vishal Fabrics Limited, Scrip Code: 538598, Security ID: VISHAL

In terms of Regulations 42,44 and other applicable Regulations of SEBI (Listing Obligation and Disclosure and Requirements) Regulations, 2015, it is hereby informed that:

1. The **35th Annual General Meeting** of Vishal Fabrics Limited is scheduled to be held on **Wednesday, December 09, 2020** at 3:00 p.m. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") in compliance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities Exchange Board of India (SEBI).
2. The Company would be providing remote e-voting facility to the shareholders from 06th December, 2020 (IST 9.00 AM) to 08th December, 2020 (IST 5.00 PM). The cut-off date to determine the entitlement of the members for the purpose of remote e-voting and e-voting at the AGM is 02nd December, 2020.

Kindly take the same on record.

Thanking you,
For VISHAL FABRICS LIMITED


Brijmohan Chiripal
Managing Director & CEO



Encl.: a/a

Corporate Office :

Shanti Corporate House, Nr. Hira Rupa Hall, Bopal-Ambli Rd,
Bopal, Ahmedabad - 380058, Gujarat, India.
Ph : +91 6359701763 | 6359701796

Registered Address :

Ranipur, Narol road, Ahmedabad - 382405,
Gujarat, India.

denim@chiripalgroup.com | info.vfl@chiripalgroup.com | www.vishalfabricsltd.com | CIN : L17110GJ1985PLC008206

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the members of Vishal Fabrics Limited (the Company) will be held on Wednesday, 9th December, 2020 at 03:00 p.m. IST through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Brijmohan D. Chiripal (DIN: 00290426), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. A.G. Tulsian and Co., Practicing Cost Accountants (FRN: 100629), who are appointed as the Cost Auditor of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021 with remuneration not exceeding of Rs. 45,000 plus GST and reimbursement of out of pocket expenses as approved by the Board of Directors be and is hereby ratified and approved.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized to take all such steps as may be necessary to give effect to this resolution.”

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 61, Section 64 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Share Capital and Debentures) Rules, 2014 (including any re-enactment(s) and modification(s) made there under, if any, for the time being in force) and as per the provisions of Memorandum and Articles of Association of the Company, the existing Authorized Share Capital of the Company be and is hereby increased from the existing Rs. 25,00,00,000/- (Rupees Twenty-Five Crore only) divided into 5,00,00,000 (Five Crore) Equity Shares of face value of Rs. 5/- to Rs. 45,00,00,000/- (Rupees Forty-Five Crore only) divided into 9,00,00,000 (Nine Crore) Equity Shares of face value of Rs. 5/- each.”

“**RESOLVED FURTHER THAT** pursuant to Sections 13, 61, 64 and other applicable provisions, if any, of the Companies Act read with the Companies (Incorporation) Rules, 2014 (including any re-enactment(s) and modification(s) made there under, if any, for the time being in force), the existing Clause V of the Memorandum of Association of the Company be and is hereby replaced by the following Clause:

- V. The Authorized Share Capital of the Company is Rs. 45,00,00,000/- (Rupees Forty-Five Crore only) divided into 9,00,00,000 (Nine Crore) Equity Shares of face value of Rs. 5/- each.

“**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or desirable for giving effect to this resolution, including to delegate all or any of its powers herein conferred to any Committee of Director(s)/ any other Officer(s) of the Company.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Article 42 of the Articles of Association of the Company and pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable Regulations and Guidelines issued by the Securities and Exchange Board of India (the “SEBI”) and Reserve Bank of India (the “RBI”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and such necessary approvals, permissions and sanctions, as may be required in this regard, the consent of the Members be and is hereby accorded to the Board for capitalization of sum to the extent of Rs. 10,97,83,335/- from the General Reserves and Profits of the Company, as may be considered necessary by the Board, for the purpose of issuance of bonus equity shares of face value of Rs. 5/- (Rupees Five only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company, whose name appears in the Register of Members maintained by the Company’s Registrar and Transfer Agent / List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as on the Record Date to be decided by the Board of Directors for this purpose, in the proportion of 1 (One) Equity Share for every 2 (Two) existing fully paid-up Equity Shares held by the Members.

“**RESOLVED FURTHER THAT** the new equity shares of Rs. 5 (Rupees Five only) each to be allotted as Bonus Shares shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank *pari passu* with the existing fully paid-up equity shares of the Company in all respects and shall be entitled to participate in full in any dividends and any other corporate action declared after the new equity shares are allotted.”

“**RESOLVED FURTHER THAT** the bonus shares shall be issued to the members in the same mode as existing shares are held by them on the record date and the bonus equity shares in physical form shall thereafter be dispatched to the members, except in respect of those members who hold existing equity shares in dematerialized form, within the period prescribed or that may be prescribed in this behalf, from time to time.”

“**RESOLVED FURTHER THAT** the Board of Directors/ Committee(s) of the Board thereof, shall not issue fractional share certificate(s) and instead consolidate all such fractional entitlement(s), if any, and there upon issue and allot equity shares in lieu thereof to a nominee(s) to be selected by the Board/ Committee(s), who shall hold the equity shares as trustee(s) on behalf of the members entitled to fractional entitlement(s) with the express understanding that such nominee(s) shall sell the same in the market at such time or times may be decided by the Board/ Committee(s), and distribute their net sale proceeds after adjusting the cost and expenses in respect thereof, to the members in proportion to their respective fractional entitlement(s).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors/Committee(s) of the Board and the Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including application to Stock Exchanges for obtaining of in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Equity Shares, signing of all deeds and documents as may be required.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, approval be and is hereby granted for alteration of existing Articles of Association of the Company in such manner and up to the extent as follows:

A. The existing Article 83 of the Articles of Association of the Company be replaced with the following Article:

83. The Company in General Meeting may declare dividends to be paid to the Members other than the Members who have waived/forgone their right of receiving any Dividend (including any Interim Dividend), declared / to be declared by the Company for Financial Year, in accordance with Rules framed by the Board and amended from time to time, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in General Meeting.

B. After the existing Article 83 of the Articles of Association of the Company, following new Article being Article 83A be and is hereby added as follows:

83A “Notwithstanding anything contained in these Articles of Association of the Company, but subject to the provisions of the Act and other applicable Rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf as amended from time to time by the Board, it shall be open for the Shareholders of the Company who hold the equity shares in the Company to waive/forgo his/her / their right to receive the dividend (interim or final) by him/ them for any financial year which may be declared or recommended respectively by the Board of Directors of the Company. The waiver/forgoing by the Shareholders, his/her/their right to receive the dividend (interim or final) by him/her/them under this Article shall be irrevocable immediately after the record date /book closure date fixed for determining the names of Shareholders entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Shareholders who have waived/forgone his/her / their right to receive the dividend (interim or final) by him/ her / them under this Article.

Subject to the provisions of the Act, the Directors may, from time to time, pay to the Members other than the Members who have waived/foregone their right of receiving any dividend declared / to be declared by the Company for any financial year, in accordance with Rules framed by the Board and amended from time to time, such interim dividends as in their judgment the position of the Company justifies.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and for removing any difficulties or doubts, the Board of Directors of the Company (hereinafter referred to as “The Board”) be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions or difficulties

that may arise with regard to giving effect to the above resolution and / or to carry out such modifications / directions as may be ordered by the relevant Authority.”

7. To consider and if thought fit, to passed, with or without modification(s), the following resolution as Special Resolution

“RESOLVED FURTHER THAT pursuant to section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, and applicable provisions, if any, of the Companies Act, 1956 and in accordance with the Memorandum of Association and Articles of Association of the Company and all other applicable regulations as amended from time to time, and subject to all such approval(s), consent(s), permission(s), sanction(s), if any, of appropriate statutory, governmental and other authorities and departments in this regard and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), consent(s), permission(s), sanction(s), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the “Board”, which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law), on the terms and conditions contained in the Financing Documents, such terms and conditions to provide, *inter alia*, for an option to the Lenders to convert the whole or part of the outstanding of the Additional Facilities (whether then due or payable or not), into fully paid up equity shares of the Company at par or book value, whichever is lower and in the manner specified in a notice in writing to be given by the Lenders to the Company (hereinafter referred to as the “Notice of Conversion”) and in accordance with the following conditions:

- (i) The conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the term of the Additional Facilities;
- (ii) On receipt of the Notice of Conversion, the Company shall, allot and issue the requisite number of fully paid up equity shares to the respective Lenders or any other person identified by the Lenders, as from the date of conversion and the Lenders shall accept the same in satisfaction of the part of the loans so converted;
- (iii) The part of the Additional Facilities so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment installments of the loan payable after the date of conversion as per the Financing Documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank *pari passu* with the existing equity shares

of the Company in all respects. The Company shall, at all times, maintain sufficient unissued authorised equity shares for the above purpose;

- (iv) In the event that the Lenders exercise the conversion right aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, listed with such stock exchanges as may be prescribed by the Lenders or such other person identified by the Lenders and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lenders or such other person identified by the Lenders, to ensure that the equity shares are listed as required by the Lenders or such other person identified by the Lenders; and
- (v) The loans shall be converted into equity shares at a price to be determined in accordance with the applicable laws at the time of such conversion.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise the terms and conditions for raising the Additional Facilities, from time to time, with an option to convert the Additional Facilities including existing into equity shares of the Company anytime during the term of the Additional Facilities, on the terms specified in the Financing Documents, including upon happening of an event of default by the Company in terms of the loan arrangements.”

“RESOLVED FURTHER THAT on receipt of the Notice of Conversion, the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary and shall allot and issue requisite number of fully paid up equity shares in the Company to such Lenders.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to issue, offer and allot from time to time to the Lenders such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lenders.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board

in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of the powers herein conferred by this resolution to any committee of directors or any person/s as it may in its absolute discretion deem fit in order to give effect to this resolution.”

By order of the Board of Directors

Date: 3rd November, 2020
Place: Ahmedabad

Brijmohan D. Chiripal
Managing Director & CEO

NOTES:

1. In order to contain the spread of Novel Coronavirus (COVID-19), the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated April 8, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM as per the procedure mentioned in point no. 21.
2. This AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to appointment / re-appointment of Directors and explanatory statements in respect to special business to be transacted at the meeting, is annexed hereto.
4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees as stipulated under Regulation 36 of the SEBI (LODR) Regulations, 2015 entered into with the Stock Exchange, are provided in the annexure to the notice calling Annual General Meeting.
5. Corporate Members are entitled to appoint their authorized representatives pursuant to Sections 112 and 113 of the Companies Act, 2013, as the case may be, to attend the AGM through VC/OAVM or to vote through e-Voting are requested to send a certified copy of the Board resolution to the Scrutinizer by e-mail at cskjco@gmail.com with a copy marked to cs.vfl@chiripalgroup.com
6. Members of the Company as on the record date i.e. 6th November, 2020 will receive the Annual Report along with Notice through Email whose Email IDs are registered with the Depository or Company and it's also be available on the Company's website at <https://vishalfabricsltd.com/annual-reports/> and on the website of Link Intime at <https://instavote.linkintime.co.in/>
7. In accordance with MCA Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/ CFD/CMD1/ CIR/P/2020/79 dated 12 May 2020, the Annual Report for FY 2019-20 and Notice of AGM are being sent in electronic mode.
8. Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited to enable servicing of notices / documents / annual Reports electronically to their e-mail address.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to participate at the AGM.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and the Register of Contracts maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
11. Members holding equity shares are requested to notify the change of address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
15. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 27th November, 2020 only, shall be entitled to avail the facility of remote e-voting/e-voting and participate in the AGM.
16. Mr. Jatin Kapadia, COP Number 12043, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting and e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The voting

rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 2nd December, 2020.

17. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vishalfabricsltd.com and on the website of Link Intime within two days of the resolutions at the Annual General Meeting of the Company, and communicated to Stock Exchanges.
18. All documents referred to in the accompanying notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and public holiday, during business hours up to the date of the Annual General Meeting.
19. The Companies Act, 2013 provides nomination facility to the members. As a member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail of this facility especially by the members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. The shares which are held in dematerialized form, the nomination form needs to be forwarded to your Depository Participant.
- 20.** Any member desiring any clarification/explanation in respect of the information given in this annual report is requested to submit query to the company at least 7 days in advance before the meeting so as to enable the management to keep information ready.

21. The detailed procedure for participation in the meeting through VC/OAVM.

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 05th May, 2020 and SEBI Circular dated 12th May, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited (LI IPL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by LI IPL.
- There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Wednesday, 2nd December, 2020,

shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

- A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Wednesday, 2nd December, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- The remote e-voting will commence on 9:00 A.M. on Sunday, 6th December, 2020 and will end on 5:00 P.M. on Tuesday, 8th December, 2020 During this period, the members of the Company holding shares as on the Cut-off date i.e. Wednesday, 2nd December, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by LI IPL thereafter.
- Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Wednesday, 2nd December, 2020.

Remote e-Voting Instructions for shareholders:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LI IPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company

- #### **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

- Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**
- Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**
- Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under '**SHARE HOLDER**' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.
4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**'; else to change your vote, click on 'No' and accordingly modify your vote.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for

the Scrutinizer to verify the same.

If you have forgotten the password:

- o Click on 'Login' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
- Select the "**Company**" and '**Event Date**' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

NOTE:

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel: +91 22 – 4918 6175.

• Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the cs.vfl@chiripalgroup.com for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company

reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Note:

Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who would like to ask questions, are requested to write 3 days in advance to the Company mentioning their name demat account number/folio number, email id, mobile number at cs.vfl@chiripalgroup.com so as to enable the management to keep the information ready.

• Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/

Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any

disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

CONTACT DETAILS FOR UPDATE ANY INFORMATION:

Company	<p>Vishal Fabrics Limited Shanti Corporate House, Beside Hira Rupa Hall, Opposite Landmark Hotel, Bopal, Ambli Road, Ahmedabad - 380058 Phone: 9099952542; Email: cs.vfl@chiripalgroup.com Web: https://vishalfabricsltd.com/</p>
Registrar and Transfer Agent	<p>Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra. Tel: +91 79 2646 5179/86/87; Email: ahmedabad@linkintime.co.in; Web: www.linkintime.co.in</p>
e-Voting Agency	<p>Mr. Rajiv Ranjan Email: enotices@linkintime.co.in; Tel: +91 22 – 4918 6000</p>
VC/OAVM	<p>Mr. Rajiv Ranjan Email: instameet@linkintime.co.in; Tel: +91 22 – 4918 6175</p>
Scrutinizer	<p>Mr. Jatin Kapadia Email: cskjco@gmail.com ; Tel: +91 79 489 44 6 55</p>

By order of the Board of Directors

Date: 3rd November, 2020
Place: Ahmedabad

Brijmohan D. Chiripal
Managing Director & CEO

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3

The Board of Directors on the recommendation of Audit Committee at their meeting held on 10th July, 2020 have approved re-appointment and remuneration of Cost Auditors to conduct audit of cost records of the Company for financial year ending 31st March, 2021 at a remuneration, not in excess of Rs. 45,000/- (Rupees Forty Five Thousands) in accordance with provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to Cost Auditors has to be ratified and approved by shareholders of the Company. Accordingly, consent of members is sought for passing an Ordinary Resolution as set out at Item No.3 of the Notice for ratification and approval of remuneration payable to Cost Auditors for financial year ending 31st March, 2021.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 3 of Notice except to the extent of their shareholding in the Company.

The Board recommends Ordinary Resolution set out at Item No. 3 of Notice for your approval.

Item No.4

The current Authorized Share Capital of your Company is Rs. 25,00,00,000/- (Rupees Twenty-Five Crore only) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 5/- each. The issue of bonus shares as mentioned in Item No. 5 would require increase in the Authorized Share Capital of the Company and consequential alteration to the existing Clause V of the Memorandum of Association of the Company.

The Board of Directors in its meeting held on 22nd October, 2020 has proposed to increase the Authorized Share Capital to Rs. 45,00,00,000/- (Rupees Forty-Five Crore only) divided into 9,00,00,000 (Nine Crore) Equity Shares of Rs. 5/- each.

Pursuant to the provisions of Sections 61 and 63 and other applicable provisions of the Act and subject to applicable statutory and regulatory approvals, the increase in Authorized Share Capital, alteration of the Capital Clause of the Memorandum of Association and issue of bonus shares of the Company require approval of the Members.

Accordingly, the Board recommends the Item No. 4 to be passed as Ordinary Resolution by the Members of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 4 of Notice except to the extent of their shareholding in the Company.

The Board recommends Ordinary Resolution set out at Item No. 4 of Notice for your approval.

Item No.5

The equity shares of your Company are listed and actively traded on BSE Limited. With a view to encourage the participation of small investors by making equity shares of the Company affordable, increasing the liquidity of the equity shares and to expand the retail shareholders' base, the Board of Directors in its meeting held on 22nd October, 2020 considered, approved and recommended an issue of bonus shares in the proportion of One new equity share of the Company of Rs. 5 each for every Two existing equity shares of the Company of Rs. 5 each held by the Members on the "Record Date" to be determined by the Board by capitalizing a sum of not exceeding Rs. 10,97,83,335/- out of the General Reserves and Profits of the Company as at 30th June, 2020.

The bonus shares, once allotted, shall rank pari-passu in all respects and carry the same rights as the existing equity shares and holders of the bonus shares shall be entitled to participate in full in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

Thus, pursuant to Article 42 of the Articles of Association of the Company and provisions of Sections 63 and other applicable provisions, if any, of the Companies Act, 2013 and subject to applicable statutory and regulatory approvals, the issue of bonus shares of the Company requires the approval of the Members of the Company.

Accordingly, the Board recommends the Item No. 5 to be passed as Ordinary Resolution by the Members of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 5 of Notice except to the extent of their shareholding in the Company.

The Board recommends Ordinary Resolution set out at Item No. 5 of Notice for your approval.

Item No.6

Certain shareholders enquired from the Board of Directors whether there are any conditions / stipulations in the Article of Association of the Company that enables any shareholder or its group to waive / forgo the dividend, whether interim or final, to be declared by the Company at any point of time in the future. On the perusal of the existing Articles of Association of the Company, there was no condition / stipulation by which any share-holder or group can waive or forgo any type of dividend to be declared at any time in future. Further the Company does not have any guidelines or set procedures as on date in this regard. The matter may be in the personal interest of the shareholders concerned as it relates to forgoing their entitlements or rights which is a purely personal choice. As far as the Company is concerned, a suitable provision is required in the existing Articles of Association of the Company. The proposed resolution is meant to alter the existing Articles of Association of the Company by amending the existing

Article No. 83 and addition of a new article as Article “83A” after the existing article 83 of the Articles of Association. After the alteration of existing Article No. 83 and insertion of the new Article “83A” in the Article, the Board of Directors of the Company will have suitable powers to accept the request to forgo / waive the right to receive dividend by the Shareholders of the Company.

The Draft amended Article of Association has been placed on the website of the Company - for members' inspection.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 6 of Notice except to the extent of their shareholding in the Company.

The Board recommends Ordinary Resolution set out at Item No. 6 of Notice for your approval.

Item No.7

Section 62(1)(c) of the Companies Act, 2013, inter-alia, provides that where at any time, a Company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered to any person, if it is authorized by a special resolution for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed. Further, Section 62(3) of the Companies Act, 2013, provides that nothing in Section 62 shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the company; provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

In terms of the provisions of the Companies Act, 2013, the shareholders of the Company have already accorded approval to the Board of Directors of the Company to borrow money / moneys up to an amount of Rs. 2000.00 crores (Rupees Two Thousand Five Hundred Crores only) and to create charges on the Company's properties for securing the borrowing within the above limits and working capital facilities availed or to be availed by passing a special resolution. For the purposes of such Borrowings, the Company may, from time to time, be required to execute financing documents, which provides for an enabling option to the Lenders, to convert the whole or any part of such outstanding Financial Assistance (comprising loans, debentures or any other financial assistance categorized as loans), into fully paid up Equity Shares of the Company;

(i) upon occurrence of a default in payment of Interest or repayment of any Instalment or Interest thereon or any combination thereof, subject to an appropriate notice of default and a cure period for the said default as may be agreed to; and /or

(ii) in accordance with the rights conferred on the Lenders pursuant to any regulations of Reserve Bank of India as modified from time to time.

Such conversion, in the events as mentioned above, will be at a price in accordance with the relevant guidelines of the Securities Exchange Board of India and such other law as may be applicable.

In line with the regulatory changes in the recent past, the changes in the Companies Act and in line with the various directives issued by Reserve Bank of India, from time to time, the Company has been advised to pass special resolution under section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder to enable the banks and financial institutions lenders (hereinafter referred to as the “Lenders”) to convert the Facilities together with the outstanding loans or any other financial assistance (hereinafter referred to as the “Loans”), in foreign currency or Indian Rupee, already availed from the lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

Accordingly, the Board recommends the resolution as set out in Item No.7 to enable the Lenders, in terms of the lending arrangements, entered or to be entered and as may be specified under the Financing Documents already executed or to be executed in respect of the Loans availed or to be availed, at their option, to convert the whole or part of their respective Loans into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable law at the time of such conversion.

Since decision of raising the financial assistances or agreeing to terms and conditions for raising the financial assistances (including option to convert loan into equity) are required to be taken on quick basis, especially keeping in view the interest of the Company, it may not be feasible for the Company to seek shareholders consent each and every time, in view of the timings and the expenses involved, hence this resolution.

Pursuant to provisions of section 62(3) of the Companies Act, 2013, this resolution requires approval of the shareholders by way of passing of a special resolution. Hence, the Board recommended the said enabling resolution for the approval of shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 7 of Notice except to the extent of their shareholding in the Company.

The Board recommends Ordinary Resolution set out at Item No. 7 of Notice for your approval.

By order of the Board of Directors

Brijmohan D. Chirpal
Managing Director & CEO

Date: 3rd November, 2020

Place: Ahmedabad

ANNEXURE

Details of Directors seeking Appointment / Re-appointment at the Annual General Meeting

(Under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), 2015)

In respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are as follows:

Name of Director	Mr. Brijmohan D. Chiripal
DIN	00290426
Nationality	Indian
Date of Birth	15/07/1961
Age	59 years
Date of appointment	01/06/2017
Brief Resume and Nature of Expertise in Functional Area	Mr. Brijmohan Chiripal is a visionary, think tank, and a beacon of astute leadership in the Chiripal Group. He is a Chemical Engineer with almost 21 years of business experience in Textile Processing as well as export and domestic trading.
Educational Qualification	B.E. (Chemicals)
Disclosure of Relationships between Directors inter-se	No Relationship with Director
List of Directorship / Committee Memberships in other Listed Companies as on 31st March, 2020.	NIL
Shareholding in Vishal Fabrics Ltd.	16,63,000 No of Equity Shares

Notes:

Pursuant to Regulation 26 of the Listing Regulations, only two Committee viz. Audit Committee and Stakeholders Committee have been considered.

For and behalf of Board and Directors
Vishal Fabrics Limited
CIN: L17110GJ1985PLC008206

Date: 3rd November, 2020
Place: Ahmedabad

Brijmohan D. Chiripal
Managing Director