

NOTICE

NOTICE is hereby given that the **EXTRA ORDINARY GENERAL MEETING (EGM)** of the Members of Deepak Spinners Limited will be held on Wednesday, the 20th April 2022 at 2.30 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

SPECIAL BUSINESS

1. Appointment of Smt. Asha Devi Daga (DIN - 00048885), as Non Executive Director and in this regard, to consider and if thought fit to pass the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, and any other applicable provisions of the Companies Act, 2013 (the "Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to recommendations of Nomination and Remuneration Committee and approval of Audit Committee Smt. Asha Devi Daga (DIN - 00048885), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 4th February 2022, in terms of Section 161(1) of the Act and Article 101 of the Articles of Association of the Company, be and is hereby appointed as a Non Executive Director of the Company in the promoter category liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee of the Board of Directors of the Company be and is hereby authorised to take all steps as may be necessary, proper and expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith and incidental thereto."

2. Appointment of Shri Vivek Chiraniya (DIN - 00166690) as Independent Director and in this regard to consider and if thought fit to pass the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or

re-enactment thereof for the time being in force) read with Schedule IV to the Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), pursuant to recommendations of Nomination and Remuneration Committee, Shri Vivek Chiraniya (DIN-00166690), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 17th February 2022, in terms of Section 161(1) of the Act and Article 101 of the Articles of Association of the Company, and who has given a declaration that he meets with the criteria of independence and as per Section 149(6) of the Act and Regulation 25 read with Regulation 16 of Listing Regulations, qualifies for being appointed as an Independent Director be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for five consecutive years with effect from 17th February 2022 up to 16th February 2027."

"RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee of the Board of Directors of the Company be and is hereby authorised to take all steps as may be necessary, proper and expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith and incidental thereto."

3. Appointment of Shri Yashwant Kumar Daga (DIN 00040632) as Vice Chairman and Senior Joint Managing Director and in this regard to consider and if thought fit to pass the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable clauses of Articles of Association and Nomination & Remuneration Policy of the Company, and subject to other approvals, if any, consent of the Company is given to the appointment of Shri Yashwant Kumar Daga (holding DIN 00040632) as 'Vice Chairman and Senior Joint Managing Director' of the Company for a period of five years with effect from 23rd December 2021 and approval of the Company be and is hereby accorded to

the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Extra-Ordinary General Meeting with liberty to the Board of Directors (the 'Board') which term shall include any Committee constituted or to be constituted by the Board) to alter and vary the terms and conditions of the said appointment in such manner, as may be agreed to between the Board of Directors and Shri Yashwant Kumar Daga provided that such variation or increase, as may be, is within the overall limits as prescribed under Section 197 read with Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee of the Board of Directors of the Company be and is hereby authorised to take all steps as may be necessary, proper and expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith and incidental thereto."

4. To approve the Change in designation of Shri Shantanu Daga (DIN – 08757724) from Whole Time Director to Non-Executive Director and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Article 117 of the Articles of Association of the Company and applicable provisions of the Companies Act, 2013 and the rules framed thereunder, the designation of Shri Shantanu Daga (DIN – 08757724) be changed from Whole Time Director in the promoter category to Non-Executive Director in the promoter category and shall continue to be liable to retirement by rotation."

"RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee of the Board of Directors of the Company be and are hereby authorised to take all steps as may be necessary and expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith and incidental thereto."

Place: Chandigarh
Date: 21.3.2022

Registered Office:
121 Industrial Area, Baddi
Tehsil Nalagarh,
District Solan,
Himachal Pradesh - 173205

By order Of the Board
For Deepak Spinners Limited

Puneeta Arora
Company Secretary
FCS - 7466

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), which sets out details relating to Special Business at the meeting, is annexed hereto.
2. Details as required under 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment/re-appointment at the EGM, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
3. In view of the restrictions on the movement of people at several places in the country, due to the outbreak of COVID-19, the Ministry of Corporate Affairs, Government of India ("MCA"), has allowed companies to conduct Extraordinary General Meetings ("EGM") through VC/OAVM, without the physical presence of Members.
4. This EGM is being convened in compliance with applicable provisions of the Act and the rules made thereunder; provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); the provisions of General Circular No. 14/2020 dated April 8, 2020; General Circular No.17/2020 dated April 13, 2020; General Circular No.20/2020 dated May 5, 2020 and General Circular no. 20/2021 dated December 08, 2021 issued by the MCA (collectively referred to as "MCA Circulars").
5. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the EGM will be deemed to be conducted at the Registered Office of the Company at 121, Industrial Area, Baddi, Tehsil Nalagarh, District Solan, Himachal Pradesh-173205.
6. **Since this EGM is being held pursuant to the MCA Circulars through VC / OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA Circulars and the SEBI Circular, the facility for appointment of proxies by the members will not be available for this EGM and hence the Proxy form, Attendance Slip and Route Map of the EGM Venue are not annexed to this Notice.**
7. The Company has connectivity with both National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') under **ISIN No INE272C01013**.
8. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf format) authorizing their representatives to attend and vote on their behalf at the meeting. The said resolution / authorization shall be sent to the scrutinizer by email through its registered email address to ajaykcs@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
9. Members seeking any information with regard to any matter to be placed at the EGM are requested to write to the Company on or before 12th April 2022, mentioning their names, DPID and Client ID or Folio number, email id, mobile number through email at share@dsl-india.com. The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.
10. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of EGM is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the Notice will also be available on the Company's website www.dsl-india.com, website of stock exchange, BSE Limited at www.bseindia.com and on the website of CDSL, at www.evotingindia.com.
11. The Registrar and Transfer Agents (RTA) of the Company are M/s. Maheshwari Datamatics Private Limited, 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001, for both physical and demat segment of equity shares. Members are requested to send all their correspondence at the above address of RTA. For any communication, the shareholders may also send requests and queries to email ids: mdpldc@yahoo.com and share@dsl-india.com.
12. **REGISTRATION OF EMAIL ADDRESSES - Eligible members whose e-mail addresses are not registered with the Company, are requested to provide the same to the Registrar and Transfer**

Agent by visiting this link - <http://mdpl.in/form/email-update>.

13. During the EGM, all the documents referred to in the Notice and Explanatory Statement will be available for inspection on the website of the Company.
14. Shri Ajay Arora, Practicing Company Secretary (Membership No. FCS 2191 and Certificate of Practice No. 993) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

15. **VOTING THROUGH ELECTRONIC MEANS**

- a) In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, Regulation 44 of the Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, the Company is providing its members, the facility to exercise their right to vote on resolutions proposed to be considered at the EGM by electronic means and the businesses as set out in the Notice above may be transacted through e-voting services. The facility of casting votes by a member using remote e-voting as well as e-voting during the EGM will be provided by CDSL.
- b) The members, who will be present in the EGM through VC facility and have not cast 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.
- c) The **remote e-voting period commences on Sunday, 17th April, 2022 (9:00 am) and ends on Tuesday, 19th April 2022 (5:00 pm)**. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on **the cut-off date of Wednesday, 13th April 2022** may cast their vote by remote e-voting. The remote e-Voting

module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKIN TIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	<ol style="list-style-type: none"> 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered

	<p>for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL

	<p>Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (iv) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders**.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (v) After entering these details appropriately, click on "SUBMIT" tab.

- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the Company Name.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xv) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; share@dsl-india.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. Facility of joining the EGM through VC / OAVM shall open 15 minutes before the time scheduled for the EGM and will be available for Members on ‘first come first serve’ basis.
2. The procedure for attending meeting & e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-Voting.
3. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
5. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
6. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the EGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
9. Those shareholders who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are present in the EGM through VC/OAVM 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 system available during the EGM.
11. If any votes are cast by the shareholders through the e-Voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East),

Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

OTHER GUIDELINES

- I) Any person, who acquires shares of the Company and becomes a member of the Company after mailing of the Notice and is holding shares as on the cut off date, may obtain the login ID and password by sending an email to mdpldc@yahoo.com.
- II) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting.
- III) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).or contact Shri Ramen Patra, Manager, M/s. Maheshwari Datamatics Private Limited, 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001, Telephone : (033)22435029, (033)22433809, (033) 22482248, **Mobile** - 80170 58433, **E-mail** – mdpldc@yahoo.com.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 1

Smt Asha Devi Daga (DIN – 00048885) is a relative of Chairman and Managing Director, Shri Pradip Kumar Daga and Vice Chairman and Senior Joint Managing Director, Shri Yashwant Kumar Daga. At the age of 80 years, she is remarkably physically fit and also mentally fully alert. Since the Company was conceptualized and set up, she has been indirectly involved in the progress of the Company. She has for several years been a Director of Jalpaiguri Holdings Pvt Ltd., which is a Non-Banking Finance Company, registered with Reserve Bank of India and as such if appointed, she would bring with her rich experience of the world of finance. She had also been the guiding hand behind the group's charitable activities and continues to serve as a trustee on both the charitable trusts, namely Bansidhar Daga Foundation and Daga Seva Nidhi, wherein meaningful support is being provided to meritorious and needy institutions such as Ramkrishna Mission, Sarada Mission, orphanages, temple trusts, etc.

The Company is expected to benefit from her maturity and compassionate understanding. In view of this, the Board of Directors appointed her as an Additional Director, in the category of Non-Executive Director liable to retire by rotation, in the Company at its meeting held on 4th February 2022, pursuant to provisions of Article 101 of the Articles of Association of the Company, Section 161 of the Companies Act, 2013, recommendations of Nomination and Remuneration Committee and approval of Audit Committee.

The Board of Directors feels that appointment of Smt. Asha Devi Daga as Non-Executive Director of the Company is appropriate and in the best interest of the Company. The Board of Directors recommends that the resolution set out as Item No. 1 relating to her appointment as a Non-Executive Director in the promoter category, be passed as a Special Resolution.

Smt Daga is holding 386428 equity shares in the Company.

In line with the Company's Nomination and Remuneration Policy, Smt. Daga will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors, reimbursement of expenses for participation in the Board meetings and commission on annual basis of such sum as may be approved by the Board of Directors and shareholders within the overall limits under Companies Act, 2013 up to 1% of the net

profits of the Company during any financial year, in aggregate payable to Non-Executive Directors. Details of remuneration paid to Non-Executive Directors shall be disclosed as part of the Annual Report.

This Explanatory Statement together with the annexure accompanying Notice may be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Except Smt. Asha Devi Daga, being the appointee and Shri Pradip Kumar Daga and Shri Yashwant Kumar Daga, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 1.

ITEM NO. 2

The Board of Directors in its meeting held on 17th February 2022, on the recommendation of Nomination and Remuneration Committee, appointed Shri Vivek Chiraniya (DIN 00166690) as an Additional Director in the category of Independent Director under Section 161(1) of the Companies Act, 2013 and Article 101 of the Articles of Association of the Company as an Independent Non-executive Director of the Company for five consecutive years under Section 149 of the Companies Act, 2013 with effect from 17th February 2022. His appointment is subject to the approval of the shareholders.

Shri Chiraniya is a Chartered Accountant practicing in Kolkata. He is not holding any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Chiraniya being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for a term of five consecutive years with effect from 17th February 2022 up to 16th February 2027.

The Company has also received a declaration from Shri Chiraniya that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Regulation 25 read with Regulation 16 of the Listing Regulations.

The Board of Directors of your Company is of the opinion that Shri Chiraniya fulfils the conditions specified in the Companies Act, 2013 and rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), for his appointment as an Independent Non-Executive Director of the Company.

Shri Vivek Chiraniya, besides being a qualified Chartered Accountant, also holds degree of Master of Business Administration (MBA), is an Insolvency Professional and also specializes in International Trade Laws. The Board considers that his association would be of immense benefit to the Company and it is desirable to appoint Shri Chiraniya as an Independent Director. The Board at present has all the skills such as marketing, commercial, legal, financial etc., Shri Chiraniya being a professional with exposure in various fields, will bring with him immense experience to the Company in the areas of finance, administration, domestic and international Corporate Laws and compliance thereof.

Accordingly, the Board commends the resolution set out at Item No.2 in relation to appointment of Shri Chiraniya as an Independent Non-Executive Director, for the approval by the shareholders of the Company as a Special Resolution.

In line with the Company's Nomination and Remuneration Policy, Shri Chiraniya will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors, reimbursement of expenses for participation in the Board meetings and commission on annual basis of such sum as may be approved by the Board of Directors and shareholders within the overall limits under Companies Act, 2013 up to 1% of the net profits of the Company during any financial year, in aggregate payable to Non-Executive Directors. Details of remuneration paid to Non-Executive Directors shall be disclosed as part of the Annual Report.

This Explanatory Statement together with the annexure accompanying Notice may be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Except Shri Vivek Chiraniya being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 2.

ITEM NO. 3

Shri Yashwant Kumar Daga (DIN – 00040632), Director of the Company is associated with the Company since 1998 as a Non-Executive Director in the promoter category.

Pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 ('the Act'), read with Schedule V of the Act and the rules made thereunder including the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, as per Articles of Association of the Company, as recommended by Nomination and Remuneration Committee, and approved by Audit Committee, the Board of Directors of the Company at their meeting held on 23.12.2021, appointed Shri Yashwant Kumar Daga as Vice Chairman and Senior Joint Managing Director for a period of five years commencing from 23rd December 2021, subject to the approval of the shareholders.

Shri Yashwant Kumar Daga, holding a degree of Bachelor of Commerce, has been associated with the Company for a very long time and has in depth knowledge of textile industry. He also has rich and varied experience in Tea, Renewable Power Energy and Engineering.

The details of his directorships and committee memberships with other Companies is given in the Annexure accompanying this Notice. Shri Daga is a member of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of Deepak Spinners Limited. He is Chairperson of CSR Committee of the Board of Directors of the Company. He is holding 396381 shares in the Company.

The Principle terms and conditions of his appointment are as follows:-

1. Tenure of Appointment

The appointment of Shri Yashwant Kumar Daga is for a period of five years with effect from 23rd December 2021 to 22nd December 2026.

2. Remuneration

Shri Yashwant Kumar Daga shall not receive any remuneration from the Company as he is drawing remuneration from M/s. Deepak Industries Limited as Joint Managing Director and the remuneration being paid to him from Deepak Industries Limited is within the ceiling limit of Schedule V of the Companies Act, 2013.

3. Other Terms of Appointment

1. As stated, Shri Yashwant Kumar Daga will not receive any remuneration from the Company. As he is the resident of Kolkata, all expenses incurred by him such as boarding, lodging, travelling etc. during discharge of his duties as Vice Chairman and Senior Joint Managing Director of the Company will be reimbursed and / or borne by the Company.

2. Shri Yashwant Kumar Daga shall, subject to the superintendence, control and direction of the Board, is entrusted with substantial powers to manage the affairs of the Company, as he deems expedient and in the best interest of the Company.
3. Shri Yashwant Kumar Daga shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or Committee thereof.
4. The appointment may be terminated by either party by giving three months' notice in writing to other party.
5. The period of office of Shri Yashwant Kumar Daga shall be liable to determination by retirement of directors by rotation. If he is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of "Vice Chairman and Senior Joint Managing Director" and such re-appointment as director shall not be deemed to constitute break in his appointment as "Vice Chairman and Senior Joint Managing Director".

In view of his rich and varied experience and his contribution in the business development and growth of the Company, the Board recommends confirmation of appointment of Shri Yashwant Kumar Daga as Vice Chairman and Senior Joint Managing Director of the Company for a period of five years from from 23rd December 2021 till 22nd December 2026 on the terms stated above. The appointment of Shri Yashwant Kumar Daga is appropriate and is in the best interest of the Company. The Board of Directors feels that appointment of Shri Yashwant Kumar Daga as Vice Chairman and Senior Joint Managing Director of the Company will lead to better growth and development of the Company.

The Board recommends that the resolution set out at Item no. 3 of the accompanying Notice relating to appointment of Shri Yashwant Kumar Daga as Vice Chairman and Senior Joint Managing Director, be passed as a Special Resolution.

The Register of Contracts maintained in pursuance of Section 189 of the Companies Act, 2013 (erstwhile section 301 of the Companies Act, 1956) referred below, would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, up to and including the date of the Extra- Ordinary General Meeting.

This Explanatory Statement together with the annexure

accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

The above may be treated as a written memorandum setting out the terms of payment of remuneration to Shri Yashwant Kumar Daga under Section 190 of the Companies Act, 2013.

The above may also be treated as Disclosure required under Section 196(4) of the Act, 2013, and Secretarial Standard on General Meeting.

Except Shri Yashwant Kumar Daga, being the appointee, Shri Pradip Kumar Daga, Smt Asha Devi Daga and Shri Shantanu Daga, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

ITEM NO. 4

Shri Shantanu Daga (DIN – 08757724) was appointed as Whole Time Director by the Board of Directors on 9th November 2020 and subsequently confirmed by the shareholders at the Annual General Meeting held on 23rd September 2021. He is not holding membership in any Committee of the Board of Directors of the Company.

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the independent directors are required to meet once in a year to review the performance of non-independent directors. Accordingly, the independent directors met on 27th January 2022 to discuss the performance of non-independent directors including Shri Shantanu Daga. The evaluation criteria included aspects such as communication with fellow Board members, attendance at the meetings, manner of participation in discussions, behavior as per ethical standards etc. and were based on the self-assessment forms filled by the Directors and the interactions with the Directors. The Nomination and Remuneration Committee (NRC) in its meeting held on 7th March 2022 reviewed the assessment carried out by the Independent Directors. The NRC noted that the Independent Directors, at their meeting held on 27.01.2022 had given very poor rating to Shri Shantanu Daga for his performance as a Whole Time Director. In response to it, Nomination and Remuneration Committee agreed to the opinion formed by Independent Directors and therefore recommended the Board of Directors to change the designation of Shri Shantanu Daga from Whole Time Director to Non-Executive Director. Thereafter, Board of Directors at their meeting held on 8th March, 2022 decided and resolved to recommend to shareholders that the designation of Shri

Shantanu Daga be changed from Whole Time Director to Non-Executive Director.

The Board recommends that the resolution set out at Item no. 4 of the accompanying Notice relating to change of designation of Shri Shantanu Daga from Whole Time Director in the promoter category to Non-Executive Director in the promoter category liable to retirement by rotation, be passed as a Special Resolution.

This Explanatory Statement together with the annexure accompanying Notice may be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Except Shri Shantanu Daga, and Shri Yashwant Kumar Daga, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE EXTRA-ORDINARY GENERAL MEETING FIXED ON WEDNESDAY, 20TH APRIL 2022 AS REQUIRED UNDER REGULATION 36(3) OF THE LISTING REGULATIONS:

Name of Director	Smt. Asha Devi Daga	Shri Yashwant Kumar Daga	Shri Shantanu Daga	Shri Vivek Chiraniya
Director Identification Number (DIN)	00048885	00040632	08757724	00166690
Date of Birth	05.10.1941	07.03.1961	14.02.1986	05.08.1973
Date of Appointment	04.02.2022	19.02.1998	09.11.2020	17.02.2022
Qualification	Senior Cambridge from Convent of Jesus and Mary, Delhi	B.Com (Hons)	Bachelor of Science, Economics-Finance, from Bentley University, Waltham, Massachusetts, USA.	FCA, MBA
Number of Board Meetings attended during the year	2	8	5	1
No. of Shares held by him in the Company (As on 31.12.2021)	386428 equity shares of Rs. 10/-each	396381 equity shares of Rs. 10/-each	29615 equity shares of Rs. 10/- each	Nil
Experience in Specific Functional Area	Business lady with rich experience.	Industrialist with rich and varied experience in Tea, Textiles, Spinning, Renewable Power and Engineering.	Industrialist with experience in the field of Textiles.	Chartered Accountant with experience in Finance, GST, Administration and International Trade Laws.
List of other Directorships held	1. Jalpaiguri Holdings Pvt. Ltd.	1. Brua Hydrowatt Pvt.Ltd. 2. Contransys Pvt. Ltd. 3. Longview Tea Co. Ltd. 4. Merlin Holdings Pvt. Ltd. 5. HGI Industries Ltd. 6. Mint Investments Limited 7. The Magadh Sugar & Energy Limited 8. Deepak Industries Limited 9. Narsingh Holding Pvt. Ltd (ceased on 28.5.2021) 10. Deepak Gears Pvt. Ltd (ceased on 28.5.2021)	Nil	Kedar Commosole Pvt. Ltd. (dissolved on 26.8.2019)

Chairman/Member of the Committees of Board of Directors of the Company #	Nil	Audit Committee (Member) Stakeholders Relationship Committee (Member)	Nil	Nil
Chairman/Member of the Committees of Board of Directors of other Companies in which he is a Director #	Nil	<ol style="list-style-type: none"> 1. HGI Industries Limited Audit Committee – Member Stakeholders’ Relationship Committee – Member 2. Mint Investments Limited Audit Committee – Member Stakeholders’ Relationship Committee – Member 3. Magadh Sugar & Energy Limited Audit Committee – Member Stakeholders’ Relationship Committee – Member 4. Longview Tea Co. Ltd. Stakeholders’ Relationship Committee – Chairman 5. Deepak Industries Limited Audit Committee - Member 	Nil	Nil
Relationship between Directors and other Key Managerial Personnel	Related to Shri Pradip Kumar Daga as wife and Shri Yashwant Kumar Daga as mother.	Related to Shri Pradip Kumar Daga as son.	Related to Shri Yashwant Kumar Daga as son.	Nil

Terms and conditions of appointment / reappointment along with details of remuneration last drawn by such person	Eligible for sitting fees and commission as approved by Board of Directors.	Nil	Terms and conditions of reappointment are as per Nomination and Remuneration Policy of the Company and shareholders. resolution passed in the Annual General Meeting held on 23.09.2021. Remuneration drawn by him during the financial year 2021-22 till the date of this notice was Rs. 76.72 Lacs.	Eligible for sitting fees and commission as approved by Board of Directors.
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Committee positions only in Audit Committee and Stakeholders Relationship Committee in Public Companies have been considered.

Place: Chandigarh

Date: 21.3.2022

Registered Office:

121 Industrial Area, Baddi

Tehsil Nalagarh, District Solan,

Himachal Pradesh - 173205

By order Of the Board
For Deepak Spinners Limited

Puneeta Arora
Company Secretary
FCS – 7466