



Vardhman Acrylics Limited

CIN: L51491PB1990PLC019212

Registered Office: Chandigarh Road, Ludhiana, Punjab - 141010

Tel. No. 91-161-2228943 **Fax No.:** 91-161-2601048

Email: secretarial.lud@vardhman.com; **Website:** www.vardhman.com

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars as defined below)

Dear Member(s),

NOTICE is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read together with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("**the Rules**"), including any statutory modification(s) or enactment thereof for the time being in force and any other applicable provisions of the Act and the Rules made thereunder, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**"), Secretarial Standard on General Meetings ("**SS-2**") issued by The Institute of Company Secretaries of India, General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 3/2022 dated May 5, 2022, 9/2023 dated September 25, 2023 read with other relevant circulars and General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs ("**MCA Circulars**") and any other applicable laws and regulations, to transact the following proposed special business by the Members of Vardhman Acrylics Limited ("**the Company**") by passing resolutions by way of Postal Ballot only by voting through electronic means ("**remote e-Voting**"). The proposed resolutions as set out below, along with the Explanatory Statement pursuant to Sections 102 and 110 of the Act setting out material facts in relation to the proposed resolution, are being sent to the Members for their consideration and approval.

The Company will send Postal Ballot Notice by e-mail to all its Members who have registered their email addresses with the Company/RTA or Depository/ Depository Participants ("**DP**") and the communication of assent/ dissent of the Members will only take place through the remote e-Voting system. This Postal Ballot Notice is accordingly being initiated in compliance with the MCA Circulars.

In compliance with the requirements of the MCA Circulars, hard copies of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot. The Company is providing remote e-Voting facility for the Postal Ballot as an alternate, which would enable the Members to cast their votes electronically, instead of casting their votes and dispatching Postal Ballot forms physically.

You are requested to peruse the proposed resolutions set out below along with the Explanatory Statements and thereafter record your assent or dissent by means of remote e-Voting facility provided by the Company not later than 5:00 P.M. IST on Wednesday, 25th June, 2025, failing which it will be strictly considered that no reply has been received from the Member. Members desiring to exercise their votes are requested to carefully read the instructions in the Notes under the section **“Instructions for voting through remote e-Voting”**.

The results of voting by means of Postal Ballot through remote e-Voting shall be declared on or before 2 working days from the conclusion of e-Voting process and will be displayed along with the Scrutinizer's Report at the Company's website www.vardhman.com and on the website of Central Depository Services (India) Limited (**“CDSL”**), who will provide the platform for remote e-Voting and will also be communicated to the Stock Exchange where the shares of the Company are listed.

ITEMS OF SPECIAL BUSINESS REQUIRING CONSENT OF SHAREHOLDERS THROUGH POSTAL BALLOT ARE AS UNDER:

SPECIAL BUSINESS:

ITEM NO. 1.

TO RE-APPOINT MR. ANIL KUMAR AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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 Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV of the Companies Act, 2013, the rules made thereunder and Regulations 16, 17 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anil Kumar (DIN:00009928), Independent Director, whose period of office is expiring on 18th July, 2025 and who has submitted a declaration confirming he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term in accordance with the provisions of the Companies Act, 2013 and rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of three (3) consecutive years w.e.f. 19th July, 2025.”

ITEM NO. 2.

TO RE-APPOINT MR. BHOOSHAN LAL UPPAL AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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 Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV of the Companies Act, 2013, the rules made thereunder and Regulations 16, 17 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Bhooshan Lal Uppal (DIN: 09626239), Independent Director, whose period of office is expiring on 18th July, 2025 and who has submitted a declaration confirming he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term in accordance with the provisions of the Companies Act, 2013 and rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of three (3) consecutive years w.e.f. 19th July, 2025.”

ITEM NO. 3.

TO APPROVE CONTINUATION OF DIRECTORSHIP OF MR. ANIL KUMAR AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY:

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 Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members of the Company be and is hereby given for continuation of the directorship of Mr. Anil Kumar (DIN: 00009928) as an Independent Director of the Company, beyond 2nd August, 2025, on attaining the age of seventy five years, as per his existing terms of appointment.”

ITEM NO. 4.

TO ENTER INTO RELATED PARTY TRANSACTIONS:

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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members be and is hereby accorded for entering into contracts i.e. material transactions with related party as mentioned in the Statement annexed to the Postal Ballot Notice.

RESOLVED FURTHER THAT pursuant to the provisions of Section 189 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with Rule 16 of the Companies (Meeting of Board and its Powers) Rules, 2014, Company Secretary be and is hereby authorized to do the necessary entries in the Register of contracts or arrangements in which Directors are interested and authenticate them.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution.”

**By order of the Board
For Vardhman Acrylics Limited**

**Sd/-
(Satin Katyal)
Company Secretary
M. No.: ACS40578**

**Place: Ludhiana
Date: 30th April, 2025**

Notes:

1. The Explanatory Statement for the proposed resolutions pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (the “Act”) and Rule 22 of the Companies (Management and Administration) Rules, 2014, setting out material facts pertaining to the resolutions are annexed hereto and forms part of this Notice.
2. In accordance with the MCA Circulars, the Company has sent this Postal Ballot Notice through e-mail to all the Members of the Company whose names appear in the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited (“NSDL”)/ Central Depository Services (India) Limited (“CDSL”), (collectively referred as “Depositories”), as on Friday, May 16, 2025 (the “Cut-off Date”) and who have registered their e-mail addresses in respect of electronic holdings with the Depository through the concerned Depository Participants (“DP”) and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited (“RTA”) or the Company.
3. In terms of the MCA Circulars, since the matters as proposed in the Postal Ballot Notice shall be passed by the Members of the Company through remote e-Voting only, therefore, the vote in this Postal Ballot cannot be exercised through proxy.
4. In terms of the MCA Circulars, the Company will send this Postal Ballot Notice in electronic form only and the hard copy of this Notice along with postal ballot forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members would take place through remote e-Voting only.
5. Members who have not registered their email addresses can now register the same by submitting Form ISR-1 duly filled and signed by the holders to the Company at secretarial.lud@vardhman.com. Members holding shares in demat form are requested to register their email addresses with their DP’s only.
6. The Postal Ballot Notice is also available on the website of the Company at www.vardhman.com. The same can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com, and on the website of Central Depository Services (India) Limited (e-Voting agency) at www.evotingindia.com.
7. All the material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch until the last date for receipt of votes by Postal Ballot/e-voting. Alternately, Members may also send their requests to secretarial.lud@vardhman.com from their registered e-mail addresses mentioning their names, folio numbers, DP ID and Client ID during the voting period of the postal ballot.
8. 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. Friday, 16th

May, 2025, shall be entitled to avail the facility of remote e-Voting. A person who is not a Member as on the Cut-off date should treat this notice for information purpose only.

It is, however, clarified that all Members of the Company as on the Cut-off Date, including those Members who may not have received this Notice due to non-registration of their e-mail IDs with the Company/RTA/ Depositories, shall be entitled to vote in relation to the resolutions specified in this Notice in accordance with the process specified hereinafter in this Notice.

9. 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. Friday, 16th May, 2025.
10. The Board of Directors of the Company in its meeting held on 30th April, 2025 has appointed M/s Khanna Ashwani & Associates, Practicing Company Secretaries as Scrutinizer for conducting the Postal Ballot / e-Voting process in a fair and transparent manner. Mr. Ashwani Kumar Khanna (Certificate of Practice No. 2220), Prop. of the said firm, has given his consent to act as the scrutinizer and would be available for the purpose of ascertaining the requisite majority.
11. The Scrutinizer will, after the conclusion of remote e-Voting, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and submit his report to the Chairman or any other person authorised by the Board including Company Secretary, who shall countersign the same and declare the result of the voting forthwith. The result of the Postal Ballot shall be declared latest by 05:00 p.m. on Friday, 27th June, 2025. The last date specified by the Company for e-Voting i.e. Wednesday, 25th June, 2025, shall be the date on which the resolutions would be deemed to have been passed, if approved by the requisite majority. The Scrutinizer's decision on the validity of votes cast through Postal Ballot will be final.

The result of the Postal Ballot and Report of Scrutinizer will also be displayed on the website of the Company at www.vardhman.com. The same can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com, and on the website of CDSL (e-Voting agency) at www.evotingindia.com.

12. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one National daily newspaper circulating throughout India (in English language) and one daily newspaper published in the language of the region, where registered office of the Company is situated (i.e. in Punjabi language).
13. Important details regarding the remote e-Voting facility are provided below:

Cut-off date for determining the Members entitled to vote through e-Voting	Friday, 16 th May, 2025
Commencement of voting	Tuesday, 27 th May, 2025 at 09:00 a.m. IST

End of voting	Wednesday, 25 th June, 2025 at 05:00 p.m. IST
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The e-Voting module will be disabled by the Service provider i.e. CDSL after 5:00 P.M. on Wednesday, 25th June, 2025.

14. Instructions for voting through remote e-Voting:

In compliance with the provisions of Regulation 44 of the Listing Regulations, Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and Secretarial Standard on General Meeting (SS-2), the Company is providing a facility to all its Members to enable them to cast their vote on the matters listed in this Notice by electronic means (e-Voting). The e-Voting facility is being provided by CDSL.

The dispatch of the Notice shall be deemed to be completed on the day on which the Company sends out the communication for the Postal Ballot process by e-mail to the Members of the Company. The e-Voting period begins at 9.00 A.M. (IST) on Tuesday, 27th May, 2025 and ends at 5.00 P.M. (IST) on Wednesday, 25th June, 2025. During this period, shareholders' of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off Date i.e. Friday, 16th May, 2025 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

Once the vote on a resolution is casted by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

The instructions for Members for voting through electronic means are as under:

- (a) As per SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting Facility provided by Listed Entities, **“individual shareholders holding shares of the Company in demat mode”** can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Members are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility. The procedure to login and access remote e-Voting, as devised by the Depositories / Depository Participant(s), is given below:

Option 1 – Login through Depositories

NSDL	CDSL
<p>1. Members who have already registered for IDeAS facility to follow below steps:</p> <p>(i) Go to URL: https://eservices.nsdl.com</p> <p>(ii) Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</p> <p>(iii) A new page will open. Enter the existing User ID and Password. On successful authentication, click on “Access to e-Voting”.</p> <p>(iv) Click on the company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p>	<p>1. Members who have already registered for Easi / Easiest to follow below steps:</p> <p>(i) Go to URL: www.cdslindia.com and then go to Login and select New System Myeasi.</p> <p>(ii) login with user id and password.</p> <p>(iii) Click on e-Voting. The option will be made available to reach e-Voting page without any further authentication.</p> <p>(iv) Click on the Company name or e-Voting service provider name to cast your vote during the remote e-Voting period.</p>
<p>2. User not registered for IDeAS e-Services:</p> <p>(i) To register click on link: https://eservices.nsdl.com. Select option “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>(ii) Proceed with completing the required fields.</p>	<p>2. User not registered for Easi/Easiest:</p> <p>(i) Option to register is available at www.cdslindia.com</p> <p>(ii) Click on login & New System Myeasi Tab and then click on registration option.</p>
<p>3. Users can directly access e-Voting module of NSDL and follow the below process:</p> <p>(i) Go to URL: https://eservices.nsdl.com/SecureWeb/evotinglogin.jsp</p> <p>(ii) Enter 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP.</p> <p>(iii) Enter the OTP received on registered email id/mobile number and click on login.</p> <p>(iv) On successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>(v) Click on the 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.</p>	<p>3. Users can directly access e-Voting module of CDSL and follow the below process:</p> <p>(i) Go to URL: www.cdslindia.com</p> <p>(ii) Click on the icon “E-Voting”</p> <p>(iii) Provide demat Account Number and PAN No.</p> <p>(iv) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>(v) After successful authentication, the user will be provided links for the respective ESP where the e-Voting is in progress.</p> <p>(vi) Click on the Company name and you will be redirected to e-Voting service provider website for casting your vote</p>

during the remote e-Voting period.

Option 2 - Login through 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. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on the 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.

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 1800 21 09911.
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

(b) Login method for e-Voting for shareholders other than individual shareholders holding in Demat form and physical shareholders:

(i) The Members should log on to the e-voting website www.evotingindia.com.

(ii) Click on “Shareholders” module.

(iii) 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.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) 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.

(vi) 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members 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)	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. 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 (iii).

(vii) After entering these details appropriately, click on “SUBMIT” tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.

(ix) For members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(x) Click on the EVSN: 250526001 for <**Vardhman Acrylics Limited**> on which you choose to vote.

(xi) 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.

(xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvi) 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.

(xvii) Additional facility for Non-Individual Shareholders and Custodians – Remote e-Voting only:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- 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; secretarial.lud@vardhman.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

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

- a) For Physical shareholders- please email Form ISR-1 duly filled and signed by the holders at email i.e. secretarial.lud@vardhman.com / mparase@mcsregistrars.com.
- b) For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP).
- c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior 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 1800 21 09911.

**By order of the Board
For Vardhman Acrylics Limited**

**Sd/-
(Satin Katyal)
Company Secretary
M. No.: ACS 40578**

Place: Ludhiana
Date: 30th April, 2025

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
FORMING PART OF THE NOTICE**

ITEM NO. 1:

Mr. Anil Kumar (DIN: 00009928), was appointed as an Independent Director of the Company for a term of three consecutive years, by the Members of the Company in their Annual General meeting held on 30th September, 2022. Now, his term of appointment is expiring on 18th July, 2025.

Based on the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors in its meeting held on 30th April, 2025, proposed the re-appointment of Mr. Anil Kumar as an Independent Director of the Company for a second term of three (3) consecutive years commencing from 19th July, 2025 upto 18th July, 2028 for the approval of the Members by way of a Special Resolution.

Mr. Anil Kumar is an Electrical Engineer and Master of Business Administration from Punjab University, Chandigarh. He is having a rich experience of more than 52 years in Paper & Textile Industry. He has worked as Unit head in Shreyans Industries Limited (SIL) since 1982. Thereafter, he joined the Board of SIL as an Executive Director in 1988. Besides this, he has been associated with many trade and other organizations and played an active role as president of Indian Pulp and Paper Technical Association & also as a member of governing council of Central Pulp and Paper Research Institute and various sub committees of Governmental bodies connected with the Industry.

The NRC taking into consideration the rich experience, knowledge, skills, valuable contribution to the Company and based on his overall performance evaluation, approved and recommended to the Board that Mr. Anil Kumar's qualification and rich experience meets the skills and capabilities required for continuation of his role as an Independent Director of the Company. The Board is of the opinion that Mr. Anil Kumar possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

In accordance with the provisions of Section 149(10) of the Act and Regulation 25(2A) of SEBI Listing Regulations, re-appointment of Independent Director will be subject to the approval of Members by way of a special resolution.

Mr. Anil Kumar has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director.

Further, Mr. Anil Kumar has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members.

Mr. Anil Kumar is Independent of the Management and in the opinion of the Board, fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director of the Company. A copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the Members at the Registered Office of the Company during normal business hours on any working day.

The Company has received notice in writing from a Member proposing the candidature of Mr. Anil Kumar to be re-appointed as an Independent Director of the Company in accordance with the provisions of the Companies Act, 2013.

During the financial year 2024-25, Mr. Kumar was paid a sitting fees of Rs. 3,10,000/- plus incidental expenses, for attending the Board and Committee meetings. Apart from the sitting fee and incidental expenses, he neither was nor will be entitled to receive any other remuneration from the Company. His brief Profile is provided at the end of this statement.

The Board of Directors recommends the Special Resolution as set out at Item No. 1 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Mr. Anil Kumar, being the appointee, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 1.

ITEM NO. 2:

Mr. Bhooshan Lal Uppal (DIN: 09626239), was appointed as an Independent Director of the Company for a term of three consecutive years, by the Members of the Company in their Annual General meeting held on 30th September, 2022. Now, his term of appointment is expiring on 18th July, 2025.

Based on the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors in its meeting held on 30th April, 2025, proposed the re-appointment of Mr. Bhooshan Lal Uppal as an Independent Director of the Company for a second term of three (3) consecutive years commencing from 19th July, 2025 upto 18th July, 2028 for the approval of the Members by way of a Special Resolution.

Mr. Bhooshan Lal Uppal is having a rich experience of more than 48 years in the Chemical Industry. He is having the ability to perform accurate need analysis, assess technical capabilities, build and motivate teams, carry out strategic planning for cost reductions and manage diverse arenas like Manufacturing, Personnel and IR Management. He is well versed with changes in technology and the business implications/ applications of new technologies.

The NRC taking into consideration the rich experience, knowledge, skills, valuable contribution to the Company and based on his overall performance evaluation, approved and recommended to the Board that Mr. Uppal's qualification and rich experience meets the skills and capabilities required for continuation of his role as an Independent Director of the

Company. The Board is of the opinion that Mr. Uppal possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

In accordance with the provisions of Section 149(10) of the Act and Regulation 25(2A) of SEBI Listing Regulations, re-appointment of Independent Director will be subject to the approval of Members by way of a special resolution.

Mr. Bhooshan Lal Uppal has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director.

Further, Mr. Uppal has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members.

Mr. Bhooshan Lal Uppal is Independent of the Management and in the opinion of the Board, fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director of the Company. A copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the Members at the Registered Office of the Company during normal business hours on any working day.

The Company has received notice in writing from a Member proposing the candidature of Mr. Bhooshan Lal Uppal to be re-appointed as an Independent Director of the Company in accordance with the provisions of the Companies Act, 2013.

During the financial year 2024-25, Mr. Uppal was paid a sitting fees of Rs. 2,20,000/- plus incidental expenses, for attending the Board and Committee meetings. Apart from the sitting fee and incidental expenses, he neither was nor will be entitled to receive any other remuneration from the Company. His brief Profile is provided at the end of this statement.

The Board of Directors recommends the Special Resolution as set out at Item No. 2 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Mr. Bhooshan Lal Uppal, being the appointee, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 2.

ITEM NO. 3:

Pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. April 1, 2019, approval of

shareholders is required by way of a Special Resolution for continuing the directorship of any non-executive director who has attained the age of 75 years.

Now pursuant to these provisions, for continuation of directorship of Mr. Anil Kumar who is going to attain the age of 75 years on 2nd August, 2025, a Special Resolution is required to be approved by the Members of the Company.

As already detailed in Explanatory Statement to item no. 1, Mr. Anil Kumar is on the Board of the Company as an Independent Director for the last three years, now considering his vast and rich experience, the Board of Directors recommends the Special Resolution as set out at Item No. 3 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Mr. Anil Kumar, being the appointee, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

ITEM NO. 4:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members in their 34th AGM held on 19th September, 2024 had given their approval for entering into Related Party Transactions for the Financial Year 2025-26.

The approval of the Members is mandatorily required for entering into all material Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {Regulation 23 (4)}.

Transactions are to be considered as material if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1000 crores or ten percent of the Annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. The material nature of related party transactions being entered by the Company mandates it to seek Members approval for such transactions for the Financial Year 2026-27.

Your Company is a manufacturer of acrylic fiber deploying Japan Exlan Technology. Vardhman Textiles Limited (VTXL) is a major consumer of Japan Exlan Technology acrylic fiber, the technology deployed by your Company, in India since long much before the start of production of your Company. VTXL is the largest customer of your Company. The average sale of acrylic fiber by your Company to VTXL in the last three years has been 30% approx. of its production and all the transactions have always been at then prevailing market prices & on an arm's length basis and has been based on commercial prudence.

Accordingly, your approval is solicited for the proposed transactions with VTXL in FY 2026-27, as detailed under, which majorly includes sale of Acrylic Fibre:

Name of the Related Party	Vardhman Textiles Limited (VTXL)
Relationship with the Company	Holding Company
Particulars of Contract or Arrangements and Material Terms/ Indicative Base Price	<p>Sale of Acrylic Fiber (Traded/Manufactured)- At Market Prices</p> <p>Purchase/ sale of MEIS licenses/RoDTEP Scrip - At Market Prices</p> <p>Purchase/ sale of fixed assets - At Market Prices</p> <p>Rent Paid - At Market Prices</p> <p>Payment towards sharing of corporate services – At Cost</p> <p>Reimbursement of expenses (paid/ received) - on Actual basis</p> <p>Purchase/ sale of stores and spare parts – At cost</p>
Value of Proposed Transactions	Upto ₹ 185 crore or 35% of the turnover of the Company whichever is higher.
Percentage of the Company's turnover considering FY 2024-25 as the immediate previous FY	30% approx.
Justification for the proposed transactions	As given above in the explanatory statement
Details of Transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
Valuation or other external Report, if any, relied upon by the Company	As the transactions have been entered into on an arm's length basis, as explained above, valuation or other external report is not required.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the Members. Accordingly, your approval is solicited.

MEMORANDUM OF INTEREST:

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

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), regarding the Directors seeking appointment.

Name of the Director	Mr. Anil Kumar	Mr. Bhooshan Lal Uppal
Date of Birth	02.08.1950	21.04.1950
Age (in years)	74	75
Date of First Appointment	19.07.2022	19.07.2022
Number of Meetings attended during the FY 2024-25	4	4
Expertise in specific functional area	Rich experience of approx. 52 years in Paper & Textile Industry	Rich experience of more than 48 Years in Chemical Industry
Qualification	B.Tech - Electrical and MBA	B.Tech – Chemical and Post Graduate Diploma in Business Management (PGDBM).
Directorships in Other Listed Companies as on the date of this Notice*	Master Trust Limited	-
Chairperson/Member of Committees of Other Listed Companies as on date of this Notice	Master Trust Limited - Nomination and Remuneration Committee (Member)	-
Listed entity from which the Director resigned in last 3 years	-	-
Skills and Capabilities required by Independent Directors for the role and manner in which such requirements are met	<p>- Administrative experience, Leadership and Strategic Planning.</p> <p>- He is a person of integrity and will continue to contribute the Board with his rich experience in Administration, Strategic Planning and Finance.</p>	<p>- Administrative experience, Leadership and Strategic Planning.</p> <p>- He will continue to contribute the Board with his rich experience and insight of Chemical Industry and his capability to perform accurate need analysis, awareness about changes in Technology & its Business implications/ application, carrying out strategic</p>

		planning for cost reductions and managing diverse arenas like manufacturing, personnel and IR Management.
Shareholding in the Company	-	-
Relationship with other Director(s)/ KMP	Not related to any Director/ KMP.	Not related to any Director/ KMP.

* Mr. Anil Kumar is also a Director of Hero Ecotech Limited, an unlisted Company.