



Ref No.: Minechem/Stock Exch/Letter/8203

25th April 2023

**The Dy. General Manager,
Bombay Stock Exchange Limited
Corporate Relations & Services Dept.,
P. J. Towers, Dalal Street,
Mumbai - 400 023**

**The Dy. General Manager,
National Stock Exchange of India Ltd.,
Corporate Relations Dept.,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051**

Scrip Code: 527001

Scrip Code: ASHAPURMIN

Dear Sir/Madam,

Sub: Postal Ballot Notice

In compliance with the Regulation 30 and all other applicable provisions of SEBI (LODR), 2015, please find enclosed herewith the Postal Ballot Notice, together with Explanatory Statement which was dispatched to the members of the Company on 25th April 2023, whose names appeared in the Register of Members/List of beneficial Owners as on cut-off date i.e. Friday, 21st April 2023.

Thanking you,

Yours faithfully,

For ASHAPURA MINECHEM LIMITED

SACHIN Digitally signed
by SACHIN
PRAKAS PRAKASH POLKE
H POLKE Date: 2023.04.25
15:41:06 +05'30'

**SACHIN POLKE
COMPANY SECRETARY &
PRESIDENT (Corporate Affairs)**

Regd. Office :
Jeevan Udyog Building, 3rd Floor, 278, D. N. Road, Fort, Mumbai - 400 001. (India)
Tel.: +91-22 6665 1700 = Email: Info@ashapura.com = www.ashapura.com

CIN No. L14108MH1982PLC026396



POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given to the Members of Ashapura Minechem Limited ('the Company'), pursuant to Section 108 and Section 110 of the Companies Act, 2013 ('the Act') read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014, as amended ('Management Rules') read with General Circular numbers 20/2020 dated May 5, 2020 read with General Circular nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 02/2021 dated January 13, 2021; 19/2021 dated December 08, 2021; 21/2021 dated December 14, 2021 , 2/2022 dated May 05, 2022 & 11/2022 dated 28th December 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD 2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India (SEBI), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") and other applicable provisions of the Act, the time being in force and as amended from time to time, that the Resolutions as set out in this Notice are proposed for consideration by the Members of the Company for passing by means of Postal Ballot by voting through electronic means only ('remote e-voting').

The Board of Directors at its meeting held on Friday, 21st April, 2023 has appointed Shri Virendra Bhatt (ACS No. 1157, COP No. 124), Practicing Company Secretary, as Scrutinizer for conducting the postal ballot in a fair and transparent manner.

This notice is being sent to all members/beneficiaries whose names appear on the Register of Members/Record of Depositories as on Cut-off-date i.e. Friday, 21st April, 2023.

The proposed Resolution and explanatory statement stating material facts, as required under Section 102 of the Companies Act 2013, are annexed herewith for consideration of the members.

Pursuant to Section 108 of the Companies Act, 2013 and other applicable provisions of the Act, read with Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company has engaged the services of Central Depository Services



(India) Limited (CDSL) to provide e-voting facility to the members of the Company. Accordingly, the Company is providing e-voting facility for voting electronically on the resolution proposed in this Postal Ballot Notice. Members are requested to read carefully the related notes to this Postal Ballot Notice and instructions given thereunder for e-voting. The e-voting will commence on Wednesday, 26th April, 2023 (9.00 A.M.) and end on Thursday, 25th May, 2023 (5.00 P.M.).

The Scrutinizer shall submit his report to the Chairman or in his absence, to any other person authorised by him, after the completion of the scrutiny of the postal ballots. The results of the Voting by Postal Ballot (voting through electronic means) will be announced by the Chairman of the Company or in his absence, by any other person authorized by him, on or before Monday, 29th May, 2023 at the Registered Office of the Company at Jeevan Udyog Building, 3rd Floor, 278, D. N. Road, Fort, Mumbai-400001. The said results will be posted on the Company's website viz. www.ashapura.com besides communicating to the Stock Exchange where the Company's shares are listed.

SPECIAL BUSINESS:

ITEM NO. 1

SALE/TRANSFER OF CHAMMOTTE PLANT 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 Section 180(1)(a), 188 of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and further pursuant to Section 110 and any other applicable provisions of the Companies Act, 2013, the Rules made thereunder, including any statutory modifications and amendments to each of the foregoing, and subject to the approvals, consents, permissions and/or sanctions, as may be required from any other relevant statutory authorities or departments, institutions or bodies, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall include any committee of Directors constituted by the Board) to sell, transfer and dispose of its Manufacturing facilities – Chamotte Plant located at Survey No. 254, situated at Village–Baraya Taluka –Mundra, Dist. – Kutch Baraya, Gujarat on an “as is where is” basis together with all specified tangible and intangible assets, including land, plant and machinery and other assets in relation to the Undertaking to M/s Orient Abrasives Limited, an Associate Company at an aggregate consideration of not less than the value arrived at by the Independent Registered Valuer & shall be on arm’s length basis and on such



terms and conditions and with such modifications as may be required as the Board, may deem fit and appropriate in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do or cause to be done all such acts, deeds and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, from time to time for giving effect to the above resolution, without further referring to the Members of the Company; to file applications and make representations in respect thereof and seek the requisite approvals from the relevant authorities and third parties, including governmental authorities and lenders; to suitably inform and apply to all the concerned authorities, to settle any questions, difficulty or doubt that may arise in this regard, and to take all necessary steps in the matter as it may in its absolute discretion and in the best interest of the Company deem necessary, desirable or expedient, to give effect to the above resolution.”

RESOLVED FINALLY THAT all actions taken by the Board /Committee(s) of the Board in connection with any matter(s) referred or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

By Order of the Board of Directors

Sd/-

Sachin Polke

Company Secretary &

President (Corporate Affairs)

Place: Mumbai

Date: 21st April, 2023



NOTES:

- a) The Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 setting out material facts in respect of the business specified above is annexed hereto.
- b) The Postal Ballot Notice is being sent to all the Members whose names appear in the Register of Members / List of beneficial Owners as received from Depositories as at the close of business hours on Friday, 21st April, 2023 (cut-off date). The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with the Depository Participants.
- c) For Members who have not registered their e-mail IDs, please follow the instructions given under Note No j.
- d) The voting rights of the members shall be in the proportion to their share of the paid-up equity share capital as on cut- off date i.e. Friday, 21st April, 2023.
- e) In compliance with provisions of Section 108 and Section 110 and other applicable provisions, of the Act read with the Management Rules, the Company is pleased to offer e-voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically.
- f) Members may please note that the Postal Ballot Notice will also be available on the Company's website www.ashapura.com, websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at www.cdslindia.com.
- g) The dispatch of the Postal Ballot Notice shall be announced through an advertisement in at least (one) English Newspaper and at least (one) Marathi newspaper, each with wide circulation in the district, where the registered office of the Company is situated and hosted on the Company Website.
- h) All the material documents referred to Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on cosec@ashapura.com.



- i) The voting period will commence from Wednesday, 26th April, 2023, IST at 9.00 a.m. and end on Thursday, 25th May, 2023, IST at 5.00 p.m. The e-voting module shall be disabled by CDSL for voting thereafter.
- j) Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at cosec@ashapura.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register the e-mail address, Members may write to cosec@ashapura.com.
- k) The said results along with the Scrutinizer's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website cosec@ashapura.com and on the website of CDSL www.evotingindia.com.
- l) The resolution, if approved, by the requisite majority shall be deemed to have been passed on the last date of e-voting i.e Thursday, 25th May, 2023.
- m) The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

Instructions for E- Voting:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- I. The voting period begins on Wednesday, 26th April, 2023 (9.00. A.M.) and ends on Thursday, 25th May, 2023 (5.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 21st April, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter..



- 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.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- 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 abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | 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 users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. |



| | |
|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ol style="list-style-type: none"> 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies 3) where the evoting is in progress as per the information provided by company. On clicking the evoting 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, so that the user can visit the e-Voting service providers' website directly. 4) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 5) 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| <p>Individual Shareholders holding securities in demat mode with NSDL Depository</p> | <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 |



| | |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>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.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.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.nSDL.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.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p> | <p>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 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</p> |



your vote during the remote e-Voting period.

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 toll free no. 1800 22 55 33 |
| 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 |

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

IV. Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

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
4. For CDSL: 16 digits beneficiary ID,
5. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
6. Shareholders holding shares in Physical Form should enter Folio Number registered
7. with the Company.



8. Next enter the Image Verification as displayed and Click on Login.
9. 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.
10. If you are a first-time user follow the steps given below:

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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. |

- 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 Ashapura Minechem Limited on which you choose to vote.
- 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. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- XVI. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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; cosec@ashapura.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- 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 rnt.helpdesk@linkintime.co.in.
- For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to rnt.helpdesk@linkintime.co.in. If you have any queries or issues regarding 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, 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.



- You can also update your e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

By Order of the Board of Directors

Sd/-

Sachin Polke

Company Secretary

& President (Corporate Affairs)

Place: Mumbai

Date: 21st April, 2023

Registered Office:

Jeevan Udyog Building, 278,

3rd Floor, Dr. D. N. Road,

Fort, Mumbai – 400 001



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 1:

SALE/TRANSFER OF CHAMMOTTE PLANT OF THE COMPANY:

The Company manufactures Chamotte at a facility which is located at Survey No. 254, situated at Village-Baraya Taluka –Mundra, Dist. – Kutch Baraya, Gujarat. Chamotte is mainly used for the production of ceramics and refractories. The Company primarily manufactures Chamotte on a job work basis for M/s Orient Abrasives Limited (OAL), an Associate Company.

OAL's primary business is to manufacture and distribute the refractory & refractory raw material products and the ceramic solutions for varied industries. OAL is planning to expand its refractory raw material products so it has expressed its interest in buying the said plant/unit along with the building from the Company.

The aforesaid Chamotte plant is considered to be 'substantial undertaking' within the meaning of Section 180(1)(a) of the Companies Act, 2013 as the investment of the Company in the said plant exceeds 20% of its net worth but this has not been a revenue generating model for the Company. With this plant, the Company could barely generate 1.45% of the Company's entire topline. Further, your company wishes to focus on its regular businesses. As such it is considered a fit proposal to hive off the said plant/unit together with all specified tangible and intangible assets, including land, plant and machinery and other assets in relation to the Undertaking at an aggregate consideration of Rs. 21 Crores which is not less than the value arrived at by the Independent registered valuer & shall be on arm's length basis.

The Board of Directors at its meeting held on Friday, 21st April, 2023, on the recommendation of Audit Committee, considered the aforesaid proposal. In order to achieve desired business synergies and as part of a vertical alignment, it was thought it fit to sell, transfer/dispose of the aforementioned plant/unit along with land & building to OAL at an aggregate consideration of Rs. 21 Crores, subject to the approval of shareholders.

Accordingly, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, the sale, transfer or disposal of whole or substantially the whole of an undertaking of the Company would require approval of the Members by way of Special Resolution.

Moreover, Section 188 (1) (b) of the Companies Act, 2013 read with Rule 15 (3) (a) (ii) of the Companies (Meetings of Board and its Powers) Rules, 2014 require that any transaction entered



into between related parties for selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, where the amount involved is equal to or exceeds 10% of the net worth of the Company is to be approved by the Members of the company by way of passing a resolution. Since the proposed transaction exceeds the threshold prescribed under Section 188(1) (b) of the Act read with Rules made thereunder, it requires prior approval of Members by way of a resolution.

The above proposed related party transaction was approved by the Audit Committee and recommended by the Board of Directors to the Shareholders of the Company for their consideration and approval.

As such, the approval of the Members is sought by way of passing the Special Resolution as set out in the above Notice through Postal Ballot in terms of the provision of Section 110 of the Companies Act, 2013 read with Sub Rule 16(i) of Rule 22 of Companies Management and Administration Rules, 2014. The Board is of the opinion that the passing of aforesaid Resolution is in the best interest of the Company and hence, recommends the Special Resolution for your approval.

Pursuant to Explanation (3) to Rule 15(3) of the Rules, particulars of the transactions with M/s. Orient Abrasives Limited are provided below:

| Particulars | Remarks |
|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Name of the related party | Orient Abrasives Limited |
| Name of the Director or Key Managerial Personnel who is related, if any | Shri Chetan Shah & Ms. Himani Shah and Shri Hemul Shah, being common Director |
| Nature of relationship | Associate Company |
| Nature, material terms, monetary value and the above transaction for purchase of land and particulars of the contract or arrangement | Transaction Amount: - Rs. 21 Crores Other material terms as mutually decided and agreed by the parties. |
| Any other information relevant or important the members to take a decision on the proposed resolution. | All important or relevant information have been provided in the foregoing paragraphs of the explanatory statement. |

Except Shri Chetan Shah and Ms. Himani Shah, Directors of the Company and their relatives, being a part of the promoter group of the Company and Mr. Hemul Shah, being a Common Director, none of the other directors or any key managerial personnel or any relative of any of the other



directors/key managerial personnel of the Company are, in any way concerned or interested, financially or otherwise, in the above referred resolutions.

By Order of the Board of Directors

Sd/-

Sachin Polke

Company Secretary

& President (Corporate Affairs)

Place: Mumbai

Date: 21st April, 2023

Registered Office:

Jeevan Udyog Building, 278,
3rd Floor, Dr. D. N. Road,
Fort, Mumbai – 400 001