



SALZER ELECTRONICS LTD

Regd. Office : Samichettipalayam, Jothipuram (Post)
Coimbatore -641 047. CIN : L03210TZ1985PLC001535
Phone No.0422-4233600/ 614/696
E-Mail : baskarasubramanian@salzergroup.com
web site : <https://www.salzergroup.net/>

April 3, 2025

To

THE CORPORATE RELATIONSHIP DEPT
BSE Limited
I Floor, New Trading Ring,
Rotunda Building,
P.J.Towers, Dalal Street,
Fort, Mumbai - 400 001.

M/s. National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
BandraKurla Complex,
Bandra (E),Mumbai – 400 051
Tel :+91 22 26598235/36, 26598346
Fax : +91 22 26598237/38

SCRIP CODE: 517059

Symbol: **SALZERELEC**

Dear Sir,

Sub: Postal Ballot Notice - Disclosure under Regulation 30 of the SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Postal Ballot Notice ("Notice") along with the Explanatory Statement, being sent to the members of the Company, whose names appear on the Register of Members as on Friday, 28th March 2025 ("cut-off date") through e-mail seeking approval of members for the following special resolutions as set out in the Notice.

Sr. No.	Particulars	Type of resolutions
1.	Approval for the increase in Borrowing Powers of the Company under Section 180 (1)(c) of the Companies Act, 2013	Special
2.	Approval for the creation of mortgage and/or charge on the movable and/or immovable properties of the Company under Section 180(1)(a) of the Companies Act, 2013	Special

In compliance with various circulars issued by MCA, this Postal Ballot Notice is being sent only through electronic mode on 3rd April 2025, to those Members whose e- mail addresses are registered with the Company/Depositories as on the Cut-off date i.e. Friday, 28th March 2025. The said Postal Ballot Notice is also made available on the website of the company i.e.salzer@salzergroup.com.



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The communication of assent or dissent of the Members would only take place through the e-voting system. The Company has engaged the services of National Securities Depository Services (India) Limited (**NSDL**) for providing e-voting facility to all its Members as on the cut-of date i.e. Friday 28th March 2025. The e-voting period commences on Monday, 7th April, 2025 at 9.00 a.m. and ends on Tuesday 6th May, 2025 at 5.00 p.m.

You are kindly requested to take note and discriminate the same.

Thanking you,

Yours faithfully

For SALZER ELECTRONICS LIMITED

**K M MURUGESAN
COMPANY SECRETARY
& COMPLIANCE OFFICER**

SALZER ELECTRONICS LIMITED

CIN: L03210TZ1985PLC001535

Registered Office: Samichettipalayam, Coimbatore 641047

Ph: 0422-4233600, Fax: 422-2692170,

Email: cs@salzergroup.com / Website: www.salzergroup.net

NOTICE FOR POSTAL BALLOT /ELECTRONIC VOTING (e-Voting)

[Pursuant to Section 108, 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 (**'the Act'**) read with the Companies (Management and Administration) Rules, 2014, General Circular No. 09/2024 dated September 19, 2024 and other relevant Circulars issued by the Ministry of Corporate Affairs (**'MCA'**) from time to time (**'MCA Circulars'**), the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (**'SS-2'**), and other applicable laws and regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the resolutions as set out below are proposed for the approval of the Shareholders through Postal Ballot by way of remote electronic voting (**'remote e-voting'**) process:

Sr. No.	Particulars	Type of resolutions
1.	Approval for the increase in Borrowing Powers of the Company under Section 180 (1)(c) of the Companies Act, 2013	Special
2.	Approval for the creation of mortgage and/or charge on the movable and/or immovable properties of the Company under Section 180(1)(a) of the Companies Act, 2013	Special

Detailed explanatory statement setting out the material facts concerning the resolutions and instructions for e-voting are annexed to the Notice.

In accordance with Sections 108 and 110 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'the Listing Regulations'**), the Company has engaged the services of the National Securities Depository Limited (**'NSDL'**), an agency authorised by the MCA, to provide remote e-voting facility. The procedure for remote e-voting is detailed in the Notes to this Postal Ballot notice.

The Board of Directors of the Company has appointed Mr. G Vasudevan (CP No. 6522) Partner in M/s G.V. and Associates, Practicing Company Secretaries, Coimbatore as the Scrutinizer (**"Scrutinizer"**) for conducting the postal ballot and e-voting process in a fair and transparent manner.

The remote e-voting facility will be available during the following period:

Commencement of remote e-voting period	9.00 a.m. IST on Monday, 7th April 2025
Conclusion of remote e-voting period	5.00 p.m. IST on Tuesday, 6th May 2025
Cut-off date for eligibility for e-voting	28 th March 2025 (Friday)

Members are requested to read the instructions and notes carefully while expressing their assent or dissent and cast votes through remote e-voting by not later than 5.00 p.m. IST on Tuesday, 6th May 2025. The remote e-voting facility will be disabled by NSDL immediately after 5.00 p.m. IST on Tuesday, 6th May 2025, and will be disallowed thereafter.

The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman after the completion of scrutiny of the e-voting, and the result of the e-voting by Postal Ballot will be announced within 48 hours from the conclusion of e-voting, i.e. on or before 5.00 PM IST on Thursday, May 08, 2025 and will also be displayed on the Company website www.salzergroup.net, on the website of NSDL www.evoting.nsdl.com and communicated to the stock exchanges and Registrar and Share Transfer Agent (RTA)- GNSA Infotech Private Limited, Chennai.

The resolution, if passed by the requisite majority, will be deemed to have been passed on the last date specified for remote e-voting, i.e. Tuesday, 6th May 2025.

SPECIAL BUSINESS

1. APPROVAL FOR THE INCREASE IN BORROWING POWERS OF THE COMPANY UNDER SECTION 180 (1)(C) OF THE COMPANIES ACT, 2013

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of earlier resolution passed by the Shareholders at their 33rd Annual General Meeting held on September 22, 2018 and pursuant to Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and the Companies (Meeting of the Board and its Powers) Rules, 2014 and the Rules framed thereunder (**“the Act”**) [including any statutory modification(s) / amendment(s) / re-enactment(s) thereof, for the time being in force] and the provisions contained in the Articles of Association of the Company, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (*hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof*) to borrow from time to time all such sums of money as they may deem requisite, provided that the total money to be borrowed, together with the money already borrowed (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, shall not, at any time, exceed Rs.500 Crs (Rupees Five Hundred Crore Only).”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

2. APPROVAL FOR THE CREATION OF MORTGAGE AND/OR CHARGE ON ALL OR ANY OF THE MOVABLE AND/OR IMMOVABLE PROPERTIES OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of earlier resolution passed by the Shareholders at their 33rd Annual General Meeting held on September 22, 2018 and pursuant to Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 and the Companies (Meeting of the Board and its Powers) Rules, 2014 and the Rules framed thereunder (**“the Act”**) [including any statutory modification(s) / amendment(s) / re-enactment(s) thereof, for the time being in force] and the provisions contained in the Articles of Association of the Company, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (*hereinafter referred to as the **“Board”** which term shall be deemed to include any committee thereof*) to create charge / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company, provided that total borrowings together with interest costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs.500 crore (Rupees Five Hundred crore only) over and above the paid up share capital and free reserves of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

By the Order of the Board
For Salzer Electronics Limited
Sd/-

K M Murugesan
Company Secretary &
Compliance Officer
(Membership No: A25953)

Date : March 25, 2025
Place : Coimbatore

NOTES:

1. An Explanatory Statement pursuant to Sections 102 and 110 of the Act read with the Companies (Management and Administration) Rules, 2014, in respect of business to be transacted as mentioned in the Postal Ballot notice, and the relevant details of the Director as required by Regulation 36(3) of the Listing Regulations and as required under SS-2, is annexed hereto.
2. In accordance with the provisions of the Act, read with the Rules made thereunder and MCA Circulars, the Postal Ballot notice is being sent only by e-mail to those Members whose e-mail id's are registered with the Company/Depositories and whose names appear in the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on 28th March 2025 (Friday)

3. Members may note that this Postal Ballot notice will also be available on the website of the Company at www.salzergroup.net, the website of the Stock Exchanges on which the equity shares of the Company are listed i.e. BSE Limited ('BSE') at www.bseindia.com and National Stock Exchange of India Limited ('NSE') at www.nseindia.com and the website of NSDL at www.evoting.nsdl.com.
4. Relevant documents referred to in this Postal Ballot notice and the Explanatory Statement pursuant to Section 102 of the Act are available for inspection through electronic mode. Members are requested to write to the Company at cs@salzergroup.com for inspection of the said documents.
5. Any query/grievance may please be addressed to Mr. K M Murugesan, Company Secretary with respect to this Postal Ballot at Email id: cs@salzergroup.com or may contact +91-422-4233614, National Securities Depository Limited at the email id: at evoting@nsdl.com or call NSDL on 022 - 4886 7000 and 022 - 2499 7000.

6. Process and manner for voting through remote e-voting:

- i. In compliance with the provisions of Sections 108 and 110 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote by electronic means through the e-voting platform provided by NSDL.
- ii. Voting rights will be reckoned on the paid-up value of equity shares registered in the name of the Members on 28th March 2025 (Friday) ('cut-off date'). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as of the cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a Member as of the cut-off date should treat this Postal Ballot notice for informational purpose only.
- iii. Voting rights through e-voting cannot be exercised by a proxy.
- iv. The remote e-voting period commences at 9.00 a.m. IST on Monday, 7th April 2025 and ends at 5.00 p.m. IST on Tuesday, 6th May 2025. The remote e-voting module will be disabled by NSDL for voting thereafter. The detailed process for remote e-voting is given below in point (vii).
- v. The Scrutinizer will submit his report after completion of scrutiny, on or before May 8, 2025. The Chairman or any other person duly authorized by him, will announce the results of the voting by Postal Ballot on or before May 08, 2025 at the Registered Office of the Company. The results shall also be displayed on the Company's website www.salzergroup.net, on the website of NSDL and will also be communicated to National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), where the equity shares of the Company are listed.
- vi. Resolution passed by the Members by means of Postal Ballot will be deemed to have been passed at a General Meeting of the Members. The resolution, if passed by the requisite

majority, will be deemed to have been passed on the last date specified for remote e-voting i.e., Tuesday, 6th May 2025.

vii. The details of the process and manner for remote e-voting are explained herein below





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are 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 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

	<p>NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div>
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 users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies 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. 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. 3. 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. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
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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. NSDL and CDSL.

Login type	Helpdesk details
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.com or call at 022 - 4886 7000
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

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat	Your User ID is:
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(NSDL or CDSL) or Physical	
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the

check box.

8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle are active.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vasudevanacs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Prajakta Pawle at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 cs@salzergroup.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), 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 cs@salzergroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Annexure to the Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No.1 and 2:

The Members of the Company had, vide their special resolution, passed at their 33rd Annual General Meeting held on September 22, 2018 accorded consent to the Board of Directors for borrowing any sum or sums of money in excess of aggregate of the paid-up share capital and its free reserves, excluding temporary loans obtained from the Company's bankers in the ordinary course of business, not exceeding the sum of Rs. 200 crore.

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors seeks the approval of shareholders to enhance the Company's above borrowing limits. Considering the potential for future growth and the eventual need for incremental borrowings from lending institutions, it is proposed that the Board be authorized to borrow monies (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up share capital and free reserves of the Company, up to a revised limit of Rs. 500 crore (from Rs.200 Crs). This enhancement is intended to provide the Company with the necessary financial flexibility to pursue its growth objectives effectively.

In pursuance of above, the borrowings of the Company may, if necessary, be secured by way of charge/mortgage/pledge/ hypothecation on the Company's assets including in addition to existing charges comprising of the movable/ immovable, tangible/intangible properties of the Company, present or future in favour of the lender(s)/ from time to time, in such form and Manner. The documents relating to charge and/or mortgage and/or pledge and/or hypothecation in favour of

the lenders may contain the provisions to take over the substantial assets of the Company in certain events with a power to take over the management of the business and concern of the Company, which may be regarded as disposal of the Company's undertaking(s) within the meaning of section 180(1)(a) of the Companies Act, 2013.

In terms of the special resolutions under Section 180(1)(a) of the Companies Act, 2013, passed by the Members at their 33rd Annual General Meeting held on September 22, 2018, the Members had accorded their consent to the Board of Directors for the creation of mortgages, charges, and other securities to secure borrowings of up to Rs. 200 crore over and above the aggregate of the paid-up capital and free reserves of the Company, and the said Rs. 200 crore limit is now proposed to be enhanced to Rs. 500 crore in line with the Board's revised borrowing powers

The resolutions contained under Item No. 1 & 2 of the accompanying Notice; accordingly, seek shareholders' consent by way of Special Resolution for increasing the borrowing limits and creation of mortgages, charges, etc. thereon and for authorizing the Board of Directors (including committee thereof authorised for the purpose) of the Company to complete all the formalities in connection therewith.

The Board of Directors is of the opinion that the aforesaid proposals are in the best interest of the Company and hence, the Board recommends passing of the SPECIAL RESOLUTION set out at Item No. 1&2 for approval of the Members

None of the Directors and Key managerial personnel or their relatives, except to the extent of their shareholding, are in any way concerned or interested financially or otherwise in the proposed resolution(s) as set out in the Notice.

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