



**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](mailto:secretarial.lud@vardhman.com); **Website:** [www.vardhman.com](http://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 re-enactment(s) 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, 09/2024 dated September 19, 2024 read with other relevant circulars and General Circular No. 03/2025 dated September 22, 2025, 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 resolution by way of Postal Ballot only by voting through electronic means ("**remote e-Voting**"). The proposed resolution 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, is 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 resolution set out below along with the Explanatory Statement 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 Friday, 26<sup>th</sup> June, 2026, 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](http://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.

**ITEM OF SPECIAL BUSINESS REQUIRING CONSENT OF SHAREHOLDERS THROUGH POSTAL BALLOT IS AS UNDER:**

**ITEM NO. 1.**

**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 Companies Act, 2013 (**“the Act”**), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) read with Schedule XII of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company 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 Act (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.”

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

**Sd/-  
(Satin Katyal)**

**Company Secretary  
M. No.: ACS40578**

**Place:** Ludhiana  
**Date:** 2<sup>nd</sup> May, 2026

## Notes:

1. The Explanatory Statement for the proposed resolution 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 resolution is 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, 22<sup>nd</sup> May, 2026 (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 matter 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 holding shares in physical mode and who have not registered their email addresses can now register the same by writing to the Company with details of folio number and submitting duly filled relevant KYC forms as available on the website of the Company i.e. [www.var dhman.com](http://www.var dhman.com), at [secretarial.lud@vardhman.com](mailto:secretarial.lud@vardhman.com) or to RTA at [mparase@mcsregistrars.com](mailto:mparase@mcsregistrars.com). Members holding shares in demat mode are requested to register/ update their email addresses with the relevant Depository Participant.
6. The Postal Ballot Notice is also available on the website of the Company at [www.var dhman.com](http://www.var dhman.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](http://www.nseindia.com), and on the website of Central Depository Services (India) Limited (e-Voting agency) at [www.evotingindia.com](http://www.evotingindia.com).
7. All the material documents referred to in the explanatory statement, if any, 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](mailto: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, 22<sup>nd</sup> May, 2026, 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 resolution 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, 22<sup>nd</sup> May, 2026.
10. The Board of Directors of the Company in its meeting held on 2<sup>nd</sup> May, 2026 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 Monday 29<sup>th</sup> June, 2026. The last date specified by the Company for e-Voting i.e. Friday, 26<sup>th</sup> June, 2026, shall be the date on which the resolution 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](http://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](http://www.nseindia.com), and on the website of CDSL (e-Voting agency) at [www.evotingindia.com](http://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, 22 <sup>nd</sup> May, 2026
Commencement of voting	Thursday, 28 <sup>th</sup> May, 2026 at 09:00 a.m. IST
End of voting	Friday, 26 <sup>th</sup> June, 2026 at 05:00 p.m. IST

The e-Voting module will be disabled by the Service provider i.e. CDSL after 5:00 P.M. on Friday, 26<sup>th</sup> June, 2026.

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 Thursday, 28<sup>th</sup> May, 2026 and ends at 5.00 P.M. (IST) on Friday, 26<sup>th</sup> June, 2026. 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, 22<sup>nd</sup> May, 2026 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
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<p><b>1. Members who have already registered for IDeAS facility to follow below steps:</b></p> <p>(i) Go to URL: <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a></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><b>1. Members who have already registered for Easi / Easiest to follow below steps:</b></p> <p>(i) Go to URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> 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><b>2. User not registered for IDeAS e-Services:</b></p> <p>(i) To register click on link: <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select option “Register Online for IDeAS” or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>(ii) Proceed with completing the required fields.</p>	<p><b>2. User not registered for Easi/Easiest:</b></p> <p>(i) Option to register is available at <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>(ii) Click on login &amp; New System Myeasi Tab and then click on registration option.</p>
<p><b>3. Users can directly access e-Voting module of NSDL and follow the below process:</b></p> <p>(i) Go to URL: <a href="https://eservices.nSDL.com/SecureWeb/evotinglogin.jsp">https://eservices.nSDL.com/SecureWeb/evotinglogin.jsp</a></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</p>	<p><b>3. Users can directly access e-Voting module of CDSL and follow the below process:</b></p> <p>(i) Go to URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></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 &amp; 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>

website for casting your vote during the remote e-Voting period.	(vi) Click on the Company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
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**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**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 21 09911.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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](http://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](http://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:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
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 <b>OR</b> 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 resolution contained in this Notice.

(x) Click on the EVSN: 260521006 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](http://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](mailto: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](mailto: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 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) and duly filled relevant KYC forms by email to [secretarial.lud@vardhman.com](mailto:secretarial.lud@vardhman.com) / [mparase@mcsregistrars.com](mailto: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](mailto: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, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 1800 21 09911.

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

**Place:** Ludhiana  
**Date:** 2<sup>nd</sup> May, 2026

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

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

**ITEM NO. 1:**

In terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), all material related party transactions (“RPTs”) require prior approval of the Members of the Company by way of an Ordinary Resolution, even if such transaction(s) are undertaken in the ordinary course of business and on an arm’s length basis. 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 the threshold specified in Schedule XII of the SEBI Listing Regulations. The material nature of the Related Party Transactions being entered into by the Company mandates it to seek Members approval for such transactions for the Financial Year 2026-27.

The Members vide their resolution dated 25<sup>th</sup> June, 2025, passed by Postal Ballot, have given their approval for the proposed transactions for FY 2026-27. However, as per the amended clause 23 (4) of the “SEBI Listing Regulations”, omnibus approval given by the Members to the material Related Party Transactions shall not exceed one year from the date of such approval. Accordingly, your approval is again being sought for the same.

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 have been based on commercial prudence.

The necessary disclosures giving the details of the proposed Related Party Transactions, as per the SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2025 read with SEBI Circular No. SEBI/HO/CFD/CFD- 11 PoD-2/P/CIR/2025/93 dated June 26, 2025 alongwith the Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions” (“RPT Industry Standards”), along with various circulars issued by the Authority in this regard, are set out under Annexure- A to this Postal Ballot Notice for the perusal of the Members. Accordingly, your approval is solicited for the proposed transactions with VTXL in FY 2026- 27 which majorly includes sale of Acrylic Fibre.

The Audit Committee has reviewed the certificate provided by the Whole Time Director and Chief Financial Officer of the Company, as required under the RPT Industry Standards. Based on the review and approval of the Audit Committee, the Board of Directors recommends the Ordinary Resolution as set out at Item No. 1 of the Notice for approval by the Members.

**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. 1 of the Notice.

## **Annexure- A**

### **MINIMUM INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE AND SHAREHOLDERS FOR APPROVAL OF RELATED PARTY TRANSACTIONS**

#### **A(1) - Basic details of the related party**

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Vardhman Textiles Limited
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Manufacturing of different types of yarn, fabric and garments.

#### **A(2) - Relationship and ownership of the related party**

1.	<p>Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:</p> <ul style="list-style-type: none"><li>• Shareholding of the listed entity, whether direct or indirect, in the related party.</li><li>• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity.</li><li>• Shareholding of the related party, whether direct or indirect, in the listed entity.</li></ul>	<p style="text-align: center;">Vardhman Textiles Limited is the holding company of the Company.</p> <p style="text-align: center;">Nil</p> <p style="text-align: center;">N.A</p> <p style="text-align: center;">70.74%</p>
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#### **A(3) - Details of previous transactions with the related party**

1.	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	<b>Sr. No.</b>	<b>Nature of Transactions</b>	<b>FY 2025-26 (Rs. in crore)</b>
		1.	Sale of goods	113.22
		2.	Purchase of goods	0.12
		3.	Reimbursement of Expenses Received	0.04
		4.	Reimbursement of Common Corporate Expenses	1.14
		5.	Reimbursement of Expenses Paid	0.02
2.	Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Refer Sr. No. A(3)(1) above		
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity during the last financial year.	No		
<b>A(4). Amount of the proposed transaction(s)</b>				
1.	Amount of the proposed transactions being placed for approval in the meeting of the Shareholders.	<b>Sr. No.</b>	<b>Nature of Transactions</b>	<b>Proposed Value (Rs. in crore)</b>
		1.	Sale of goods	173.00
		2.	Purchase of goods	0.20
		3.	Purchase/ Sale of stores & spare parts	0.05
		4.	Purchase of Fixed Assets	1.00
		5.	Reimbursement of Common Corporate Expenses	2.70
		6.	Reimbursement of Expenses (paid/received)	0.05
<b>Total</b>			<b>177.00</b>	
2.	Whether the proposed transactions taken together with the transactions	Yes		

	undertaken with the related party during the current financial year would render the proposed transaction a material RPT?									
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	55.56%  During the current financial year 2026-27, there has been spurt in the prices of Acrylonitrile, a petro-chemical product, due to ongoing Israel-Iran war, which has led to substantial increase in the prices of Acrylic Fibre, thereby increasing the value of the proposed transactions, though in quantitative terms the sale shall remain almost same i.e. about 30%. However, as the percentage value of the proposed transactions has been calculated on previous financial year's turnover, the same is on higher side.								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	N.A								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	1.79%								
6.	Financial performance of the related party for the immediately preceding financial year:	<table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2025-26 (Rs. in crore)</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>9,652.33</td> </tr> <tr> <td>Profit After Tax</td> <td>740.02</td> </tr> <tr> <td>Net worth</td> <td>10,187.73</td> </tr> </tbody> </table>	Particulars	FY 2025-26 (Rs. in crore)	Turnover	9,652.33	Profit After Tax	740.02	Net worth	10,187.73
Particulars	FY 2025-26 (Rs. in crore)									
Turnover	9,652.33									
Profit After Tax	740.02									
Net worth	10,187.73									
<b>A(5) - Basic details of the proposed transaction</b>										

1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Refer Sr. No. A (4) (1) above
2.	Details of each type of the proposed transaction	
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One year i.e. 2026-27
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Rs. 177 crore.  N.A.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	<p><b><u>Sale of Goods:</u></b></p> <p>VTXL has been a long standing customer of the Company for acrylic fiber manufactured using Japan Exlan Technology.</p> <p>The transaction is driven by commercial prudence and long-term business considerations and is expected to continue contributing positively to the Company's business performance.</p> <p>The proposed transaction is in the ordinary course of business and will be at prevailing market prices and on an arm's length basis. The pricing and commercial terms will be comparable to those offered to other customers in similar circumstances.</p> <p><b><u>Re-imbursement of Common Corporate Expenses:</u></b></p> <p>To ensure efficiency in operations and effective utilization of resources, certain services like Finance, Accounts, Secretarial, Taxation, IT etc. are being provided by Corporate Office to all Group companies on</p>

		actual cost basis.  <b>Other Transactions [as mentioned in Sr. No. A(4) (1)]:</b>  The other transactions will be need based only and will be in the ordinary course of business and at arm's length basis.				
7.	<p>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.</p> <p>Explanation: Indirect interest shall mean interest held through any person over which an individual has control.</p>	<p>Vardhman Textiles Limited is the promoter of the Company and is holding 70.74% equity capital of the Company.</p> <p>Mr. S.P. Oswal, Mrs. Suchita Jain and Mr. Sachit Jain, Directors of the Company, are also on the Board of VTXL. Their shareholding in VTXL is as follows:</p> <ol style="list-style-type: none"> <li>1. Mr. S.P. Oswal – 1.03%</li> <li>2. Mrs. Suchita Jain – 0.42%</li> <li>3. Mr. Sachit Jain - Nil</li> </ol>				
	a. Name of the director / KMP					
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party					
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	As the transactions have been entered into on an arm's length basis, valuation or other external report is not required.				
9.	Other information relevant for decision making.	All relevant information forms a part of this disclosure setting out requisite facts.				
<b>Part B: Additional Information</b>						
<b>B(1) Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances</b>						
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or other process was conducted.				
2.	Basis of determination of price.	<table border="1"> <thead> <tr> <th>Type of transaction</th> <th>Basis of transaction</th> </tr> </thead> <tbody> <tr> <td>Sale of goods</td> <td>At Market Price</td> </tr> </tbody> </table>	Type of transaction	Basis of transaction	Sale of goods	At Market Price
Type of transaction	Basis of transaction					
Sale of goods	At Market Price					

		Purchase of goods	At Market Price
		Purchase/ Sale of Stores and Spare parts	At Cost
		Purchase/ sale of Fixed Assets	At Market Price
		Re-imbusement of Common Corporate Expenses	At Cost
		Re-imbusement of Expenses (Paid/ received)	On Actual Basis
<b>3.</b>	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice) , if any, proposed to be extended to the related party in relation to the transaction, specify the following:	N.A.	
	a. Amount of Trade advance		
	b. Tenure		
	c. Whether same is self-liquidating?		