

## TEXMACO RAIL & ENGINEERING LIMITED

CIN: L29261WB1998PLC087404

Registered Office: Belgharia, Kolkata - 700056

Phone no: (033) 2569 1500, Fax no. (033) 2541 2448

Website: [www.texmaco.in](http://www.texmaco.in), Email: [texrail\\_cs@texmaco.in](mailto:texrail_cs@texmaco.in)

### NOTICE TO THE SHAREHOLDERS

Notice is hereby given that an Extra Ordinary General Meeting of the shareholders of **TEXMACO RAIL & ENGINEERING LIMITED** ('Company') will be held on **Thursday, 25th March 2021 at 11:30 a.m. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')**, to transact the following businesses.

The venue of the Meeting shall be deemed to be the Registered Office of the Company at Belgharia, Kolkata - 700056.

#### SPECIAL BUSINESS:

##### Item no. 1

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

"RESOLVED that pursuant to the provisions of Sections 23, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder and the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR Regulations'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), (including any statutory modifications(s) or re-enactment(s) thereof for the time being in force), and subject to the other applicable rules, regulations and guidelines of the Securities and Exchange Board of India ('SEBI') and / or the Stock Exchanges where the Equity Shares of the Company are listed and the enabling provisions of the Memorandum and Articles of Association of the Company and requisite approvals, consents, permissions and / or sanctions of regulatory and other appropriate authorities, as may be required, the consent of the Members of the Company be and is hereby granted to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted by the Board to exercise its powers including the powers conferred hereunder or any person authorised by the Board or its committee for such purpose) to create, offer, issue and allot on a preferential basis, to Zuari Global Limited, a member of the Promoter group, up to 2,88,00,000 (Two Crore Eighty Eight Lakhs) Equity Shares of face value of Re. 1/- (Rupee One) each ('Equity Shares') in

one or more tranches for total cash consideration of up to Rs. 90,00,00,000 (Rupees Ninety Crore), by way of issue at a price of Rs. 31/- (Rupees Thirty One) (including a premium of Rs. 30/- per Equity Share), provided that the allotment of such Equity Shares shall be within the thresholds as stipulated under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('Takeover Regulations') and that the minimum price of Equity Shares so issued shall not be less than the price arrived at, in accordance with Chapter V of the ICDR Regulations for preferential issue on such terms and conditions, as are stipulated in the Explanatory Statement annexed hereto and as the Board may deem fit in its absolute discretion."

"FURTHER RESOLVED that in accordance with the provisions of Chapter V of the ICDR Regulations the 'Relevant Date' for the purpose of calculating the floor price for the issue of Equity Shares be and is hereby fixed as Tuesday, 23rd February 2021 being the date 30 days prior to the date of the Extra Ordinary General Meeting i.e. Thursday, 25th March 2021."

"FURTHER RESOLVED that all such Equity Shares to be issued and allotted by the Board shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares of the Company in all respects including dividend."

"FURTHER RESOLVED that the monies to be received by the Company from the Proposed Investors towards application for subscribing to the Equity Shares pursuant to this preferential issue shall be kept by the Company in a separate bank account opened by the Company and shall be utilised by the Company in accordance with Section 42 of the Act."

"FURTHER RESOLVED that the Equity Shares to be allotted in terms of this Resolution shall be made fully paid up at the time of allotment and be issued in dematerialised form only and the Equity Shares so allotted shall be subject to lock-in for such period as may be prescribed under Regulations 167 and 168 of the ICDR Regulations and that the Equity Shares so offered, issued and allotted will be listed on the Stock Exchanges where the Equity Shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals."

"FURTHER RESOLVED that for the purpose of giving effect to the above, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarification on the offer, issue and allotment of the Equity Shares and listing of Equity Shares at the Stock Exchanges as per the terms and conditions of ICDR Regulations, Listing Regulations and other applicable guidelines, rules and regulations, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisor(s) for the preferential issue if required), resolving all questions and doubts that may arise with respect to the offer, issue and allotment of Equity Shares, and to authorise all such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and that the decision of the Board in this regard shall be final and conclusive."

"FURTHER RESOLVED that the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee or to one or more Directors or to the Company Secretary to give effect to the aforesaid Resolution."

"FURTHER RESOLVED that all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing Resolution be and are hereby approved, ratified and confirmed in all respects."

## Item No. 2

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

"RESOLVED that pursuant to the provisions of Sections 4 and 13 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), and subject to any approval or permission as may be required from relevant authorities and such modifications as may be prescribed by such authorities and which may be agreed to by the Board of Directors, the approval of the Members be and is hereby accorded to amend the Memorandum of Association of the Company with respect to the Objects Clause (Clause III) of the Memorandum of Association of the Company and such other amendments as may be required to align the Memorandum of Association with the provisions of the Act, including as follows:

a) Heading of the Part A of Clause III of Memorandum of Association i.e. "MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE" to be substituted with the Heading "OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE".

b) Part A of Clause III of Memorandum of Association, be and is hereby amended with the insertion of following Sub-clause viz.:

*"To undertake, engage in, conduct, carry on the Defence business in India and globally, either independently or in collaboration with Global Companies/ OEMs for design, development, manufacturing, assembly, building, repairing, overhauling and refurbishment, refitting, inventing, experimenting, testing, originating, fabricating, sub-contracting, importing, exporting, trading, storing, transporting, dealing in sale and purchase of all kind of armoured vehicles, main battle tanks other all wheel drive armour protected wheeled vehicles with mountings of arms, trailers for towed and static weapon systems and defence vessels, warships, including patrol vessels, gunboats, destroyers, UAVs, Drones, mechanical/ electronic defence devices including but not limited to mines, guns including artillery and air defence guns & mortars (including self-propelled), howitzers, small arms & light weapons along with their ammunition, rockets, bombs, torpedoes, grenades, fuses, missiles & similar projectiles whether operated manually or remotely (with or without explosives), detonators, prototypes, assemblies, sub-assemblies, parts, components whether metallic or non-metallic, accessories, fitments to any & all such devices/ equipment, integration of weapon systems, vehicles, all types of engines, hydraulic machines, armaments, machine tools and machinery of any other description for use for defence purpose including upgrades of weapon system, components & spare parts of the same and to provide service, maintenance, support for the same and to conduct all or any of the activities connected therewith."*

c) Heading of Part B of Clause III of Memorandum of Association i.e. "THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE" is substituted with the Heading "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE".

d) Part B of Clause III of Memorandum of Association, be and is hereby amended with the insertion of the three sub-clauses as existing in Part C of Clause III and that Part C of Clause III of Memorandum of Association i.e. "THE OTHER OBJECTS" be and is hereby deleted in full.

e) The existing Clause IV be substituted by the following new Clause IV:

*"The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."*

f) Other amendments required to align the existing Memorandum of Association with the provisions of the Companies Act, 2013."

"FURTHER RESOLVED that the Board of Directors (including a Committee thereof) and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid Resolution."

#### Item No. 3

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

"RESOLVED that pursuant to the provisions of Sections 5 and 14 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), and subject to any approval or permission as may be required from relevant authorities and such modifications as may be prescribed by such authorities and which may be agreed to by the Board of Directors, the approval of the Members be and is hereby accorded to the amendments to the existing Articles of Association of the Company and the new Articles of Association of the Company in the place and to the exclusion and substitution of the existing Articles of Association of the Company be and is hereby adopted."

"FURTHER RESOLVED that the Board of Directors (including a Committee thereof) and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid Resolution."

#### Item No.4

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

"RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Ashish Kumar Gupta (DIN: 07808012) who was appointed as an Additional Director of the Company by the Board of Directors effective 17th November 2020 in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as Executive Director and designated as Deputy Managing Director of the Company, liable to retire by rotation, for a period of 3 (three) years with effect from 17th November 2020, on such terms and conditions as approved by the Board of Directors and as stated in the Explanatory Statement annexed hereto."

#### Item No. 5

**To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution: -**

"RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, and the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Virendra Sinha (DIN: 03113274), who was appointed as an Additional Director of the Company by the Board of Directors effective 17th February 2021 in terms of Section 161 of the Act, being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) years with effect from 17th February 2021."

#### Item No. 6

**To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution: -**

"RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder, and the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Rusha Mitra (DIN: 08402204), who was appointed as an Additional Director of the Company by the Board of Directors effective 17th February 2021 in terms of Section 161 of the Act, being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) years with effect from 17th February, 2021."

Belgharia  
Kolkata – 700056  
Dated: 1st March 2021

By the order of the Board  
**Ravi Varma**  
Company Secretary

## NOTES:

1. In view of the ongoing COVID-19 pandemic and the need to ensure social distancing to avoid the spread of COVID-19, the Ministry of Corporate Affairs ('MCA') vide General Circular Nos. 14, 17, 20, 22 and 39 of the year 2020 (hereinafter referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 & SEBI/HO/CFD/CMD2/CIR/P/2021/11 (hereinafter referred to as 'SEBI Circulars') have permitted the companies to conduct the Extra Ordinary General Meeting ('EGM') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') till 30th June, 2021, in compliance with the applicable provisions of the Companies Act, 2013 ('Act') & the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Accordingly, the EGM of the Company is being conducted through VC / OAVM facility.

As allowed by the aforesaid circulars, participation of Members through VC / OAVM will be reckoned for the purpose of quorum for the EGM as per Section 103 of the Act.

The Company has availed the services of M/s. KFin Technologies Private Limited ('KFin'), who is also the Registrar & Share Transfer Agent ('RTA') of the Company, for providing remote e-voting facility & e-voting facility during the EGM and to conduct the EGM through VC / OAVM.

**Members may note that VC / OAVM facility provided by KFin allows participation of 1000 Members on first-come-first-served basis.**

**Large Members (i.e., Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction for attending the EGM.**

The instructions for participation by Members are given in the subsequent paragraphs.

2. In compliance with the above provisions and the circulars, the Notice of the EGM will be sent to all the Shareholders of the Company whose email addresses are registered with the Company / Depository Participant(s) / RTA.

The Notice will also be available on the website of the Company at [www.texmaco.in](http://www.texmaco.in) and the Stock Exchanges where the equity shares of the Company are listed, i.e.,

BSE Limited and National Stock Exchange of India Ltd. at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

- Those Shareholders who are holding shares in physical mode and have not yet registered / updated their email addresses with the Company / RTA, are requested to visit the portal provided by the RTA at <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> to register their email addresses.

Alternatively, Shareholders may send a scanned copy of request letter providing their email address and mobile number, duly signed by the Shareholder (first shareholder in case of joint shareholding) along with cancelled cheque leaf, self-attested copy of PAN card & share certificate at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

- Those Shareholders who are holding shares in dematerialised mode and have not registered / updated their email addresses with their Depository Participant(s), are requested to register / update their email addresses with the relevant Depository Participant(s).

3. **The Explanatory Statement pursuant to Section 102 of the Act setting out the material facts relating to the business at Item nos. 1 to 6 of the Notice as set out above, is annexed hereto.**

The Board of Directors of the Company has considered and decided to include the above mentioned Items as Special business, as they are unavoidable in nature.

4. **A Member entitled to attend and vote at the EGM may appoint a Proxy to attend and vote on a poll on his / her behalf, and the Proxy need not be a Member of the Company.**

**Since the EGM is being held through VC / OAVM pursuant to the MCA Circulars and the SEBI Circulars, the requirement of appointing proxy is not applicable. The Proxy Form, Attendance Slip and the Route Map are not annexed to this Notice since the EGM is being held through VC / OAVM.**

5. Corporate / Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are entitled to appoint authorised representatives to attend and vote at the EGM. They are required to send a certified copy of Board Resolution, Authority letter (PDF/JPG) etc., authorising their representative(s) to attend and vote at the EGM, to the Scrutinizer through e-mail at [geetaroychowdhury@gmail.com](mailto:geetaroychowdhury@gmail.com) with a copy marked to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

Corporate / Institutional Shareholders are encouraged to attend and vote at the EGM.

6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the EGM.
  7. Voting rights will be reckoned on the paid-up value of Equity Shares registered in the name of the Members as on **Friday, 19th March 2021** (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 on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the EGM.
  8. In view of the continuity of COVID-19 and to adhere to the social distancing measures and other safety precautions, relevant documents referred to, in this Notice of the EGM are available for inspection through electronic mode by the Members of the Company from the date of circulation of this Notice up to the date of the EGM. Members seeking inspection of such documents are requested to send an email at [evoting\\_texrail@texmaco.in](mailto:evoting_texrail@texmaco.in).
  9. To support the 'Green Initiative', Members are encouraged to register their e-mail addresses with the Company / Depository Participant(s) / RTA, as the case may be, so that they can receive all future communication from the Company through electronic mode.
- 10. Remote e-voting**
- a. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Listing Regulations, the Company is providing its Members the facility of remote e-voting to exercise votes electronically on the Resolutions proposed to be passed at the EGM. The Company is also providing the facility of e-voting during the EGM. The Board of Directors of the Company has appointed Ms. Geeta Roy Chowdhury, Practicing Company Secretary as the Scrutinizer for this purpose.
  - b. The instructions for remote e-voting are as under:
    - i. Open your web browser during the remote e-voting period and navigate to <https://emeetings.kfintech.com>
    - ii. Enter the login credentials [i.e. user ID and password mentioned in the email sent to those Shareholders, who have registered their email addresses]. Your Folio No. / DP ID Client ID will be your user ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
    - iii. Put user ID and password as initial password / PIN in the window opened in step i. above. Click Login.
  - iv. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0- 9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update any contact details like mobile, e-mail address, etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the 'EVENT' i.e. Texmaco Rail & Engineering Limited.
  - vii. On the voting page, the Resolution description along with the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/ dissenting to the resolution, enter all shares and click 'FOR'/ 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case the shares held by you will not be counted under either head.
  - viii. Cast your vote by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click 'OK' else 'CANCEL' and accordingly modify your vote. Once confirmed, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times until you have confirmed your votes on the resolution.
  - ix. Any person who becomes a Member of the Company after the dispatch of the Notice and holds Equity Shares as on the cut-off date i.e., **Friday, 19th March 2021** may approach KFin for issuance of the User ID and Password for exercising their right to vote by electronic means by the following procedure:
    - a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD <space> E-voting Event number + Folio No. or DP ID Client ID to 9212993399.

Example for NSDL:  
MYEPWD<SPACE>IN12345612345678

Example for CDSL:  
MYEPWD<SPACE>1402345612345678

Example for Physical:

Event No. XXXXMYEPWD<SPACE>XXXX1234567

- b) If the email address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> the Member may click 'FORGOT PASSWORD' and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c) Member may call KFin toll free number 1800-3454-001.
  - d) Member may send an email request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
11. The remote e-voting period commences at **9:00 a.m. on Sunday, 21st March 2021** and ends at **5:00 p.m. on Wednesday, 24th March 2021**. During this period, Shareholders of the Company holding Equity Shares either in physical form or in dematerialised form, as on the cut-off date i.e. **Friday, 19th March 2021** may cast their vote electronically.

The e-voting module shall be blocked for voting thereafter. Once, the vote on a Resolution is cast by the Shareholder, such Shareholder shall not be allowed to change it subsequently.

12. The Members who have already casted their vote through remote e-voting cannot vote again at the e-voting during the EGM. However, such Member shall be entitled to attend the EGM.

### 13. Instructions for attending the EGM through Video Conference:

- a. Members will be provided with a facility to attend the EGM through VC platform provided by KFin. Members are required to login at <https://emeetings.kfintech.com/>, by using the remote e-voting credentials. The link for EGM will be available in Shareholder/Members login where the 'EVENT' and the name of the Company can be selected.
- b. The facility for joining the EGM shall be kept open from 11:15 a.m. i.e. 15 minutes before the scheduled time for commencement of the EGM, and may be closed at 11:45 a.m., i.e. upon the expiry of 15 minutes after such scheduled time.

- c. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

Those Shareholder who are holding equity shares in physical form may send an email at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for obtaining the User ID and Password, or by following the procedure as mentioned in point no. 10 of this Notice.

- d. Members can participate in the EGM through their desktops / mobile phones / laptops etc. Members will also have the option to turn on their camera during the EGM. However, for better experience and smooth participation, it is advisable to join the EGM through desktops / laptops with high-speed internet connectivity.

It is recommended to use Stable Wi-Fi or LAN connection to mitigate issues relating to internet connectivity.

- e. **Speaker registration:** Shareholders who would like to express their views / ask questions during the EGM may log into <https://emeetings.kfintech.com/>, click on "Speaker Registration". In case you have any queries, use the option "Post your Queries" to post your queries/ views/questions in the window provided by mentioning the name, DP ID Client ID/Folio No, email address and mobile number. Please note that, questions of only those Shareholders who continue to hold the shares as on the cut-off date, will be answered. The window period for posting the questions shall commence at **9:00 a.m. on Sunday, 21st March 2021** and close at **5:00 p.m. on Tuesday, 23rd March 2021**. Those Members who have registered themselves as a speaker will only be allowed to speak / express their views or ask questions during the EGM. Due to limitations of transmission and coordination during the Q&A session, the Company may restrict the number of speakers.
- f. In case of any query regarding e-voting or technical assistance for VC / OAVM participation, members may contact Mr. Raj Kumar Kale, an official of KFin at the toll free No. 1800-345-4001 or write at [evoting@kfintech.com](mailto:evoting@kfintech.com).

### 14. Instructions for Members for e-voting during the EGM :

- a. Only those Shareholders, who are present in the EGM and have not casted their vote on the Resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system 'Instapoll' available during the EGM.

- b. The e-Voting “Thumb sign” on the left hand corner of the video screen shall be activated upon instructions of the Chairman during the EGM proceedings. Shareholders shall click on the same to take them to the “Instapoll” page.
- c. Members need to click on the “Instapoll” icon to reach the Resolution page and follow the instructions to vote on the Resolutions.
15. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting User Manual for Shareholders available at the download section of <https://evoting.kfintech.com/public/Faq.aspx> or contact RTA at Tel No. 1800 345 4001 (toll free) or any grievances may please be sent to the email or may be addressed to the Company at the e-mail [evoting\\_textrail@texmaco.in](mailto:evoting_textrail@texmaco.in).
16. The Results of the e-voting will be declared on or after the date of the EGM i.e. **25th March 2021**. The declared Results, along with the scrutinizer report will be available on the website of the Company at website [www.texmaco.in](http://www.texmaco.in) and on the website of KFin; such Results will also be forwarded to the Stock Exchanges where the equity shares of the Company are listed.
17. The Members are requested to take a note that at the Twenty-Second Annual General Meeting (‘AGM’) held on Wednesday,

30th September 2020 at 2:00 p.m., the Shareholders approved the issuance of up to 5,80,00,000 (Five Crore Eighty Lakhs) Equity Shares of face value of Re. 1/- (Rupee One) each, on a preferential basis (Item nos. 10 and 11 of the said AGM), to Zuari Global Limited, Adventz Finance Private Limited and Mr. Saroj Kumar Poddar for a total consideration of up to Rs. 200,00,00,000 (Rupees Two Hundred Crore), in due compliance with the provisions of the Companies Act, 2013 read with rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The Company thereafter, made necessary applications to the Stock Exchanges for their in-principle approval to the aforesaid Issue. The Company also made an application to the SEBI for seeking relaxation under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 for the necessary compliance under Regulation 163(1) (d) and (f) of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The Company has received approval from the SEBI for such relaxations subject to disclosure of information to Members by way of note, with respect to the aforesaid preferential issue which is as detailed below:

The shareholding pattern of the Company before and after the proposed preferential issue was expected to be as follows:

Category	Pre preferential issue		Post preferential issue	
	No of Shares	%	No of Shares	%
Promoters and Promoter Group (A)	11,59,27,010	51.56	17,39,27,010	61.49
Public (B)	10,89,32,372	48.44	10,89,32,372	38.51
Total (A) + (B)	22,48,59,382	100.00	28,28,59,382	100.00
Custodian (C)	-	--	-	--
Grand Total (A) + (B) + (C)	22,48,59,382	100.00	28,28,59,382	100.00

Further, shareholding of each of the proposed allottees pre and post issue was expected to be as follows:

Name of the Proposed Allottee	Pre-Preferential Holding		No. of Equity shares to be allotted up to	Post-Preferential Holding	
	No. of Shares	% of Holding		No. of Shares	% of Holding
Zuari Global Limited	40,35,000	1.79	3,25,16,129	3,65,51,129	12.92*
Adventz Finance Private Limited	84,77,400	3.77	93,54,839	1,78,32,239	6.31
Saroj Kumar Poddar (as an Individual)**	10,97,030	0.49	1,61,29,032	1,72,26,062	6.09

\*Whereas Equity Shares have been issued to Adventz Finance Private Limited and Mr. Saroj Kumar Poddar pursuant to the aforesaid preferential issue, no shares have been or shall be issued to Zuari Global Limited pursuant to the shareholders approval for preferential issue granted in the AGM of 30th September 2020. Therefore, though the aforesaid preferential issue is closed, Zuari Global Limited holds 1.61 % of the share capital of the Company as of date.

\*\*The above shareholding is what Mr. Saroj Kumar Poddar holds in his individual capacity. Additionally, Mr. Saroj Kumar Poddar as a Trustee of Saroj and Jyoti Poddar Holdings Private Trust holds 29,50,000 shares, as a Trustee of S K Poddar Family Trust holds 89,280 shares and as a Karta of Saroj & Co. HUF holds 10,710 shares excluding the shareholding as disclosed in the above table.

To comply with Regulation 163(1)(f) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the identity and details of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees (i.e. the Proposed Investors) in connection with the preferential issue is as follows:

- Zuari Global Limited (CIN: L65921GA1967PLC000157) is a listed company and therefore no further disclosure with respect to ultimate beneficial owners is necessary in terms of proviso to Regulation 163 (1) (f) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The percentage of post preferential issue capital of the Company that was expected to be held by Zuari Global Limited was 12.92%, however in fact no equity shares have been or shall be issued to Zuari Global Limited pursuant to the members' approval for preferential issue granted in the AGM of 30th September 2020. Therefore, though the aforesaid preferential issue is closed, Zuari Global Limited holds 1.61% of the share capital of the Company as of date.
- Adventz Finance Private Limited (CIN: U65993WB1996PTC079012) – Mr. Saroj Kumar Poddar (PAN: AFTPP2386N) is the natural person who is the ultimate beneficial owner. Further, Mr. Saroj Kumar Poddar is the Chairman of the Adventz Group and forms a part of the Promoter Group of the Company. The percentage of post preferential issue capital of the Company that may be held by Adventz Finance Private Limited is up to 6.31%.
- Mr. Saroj Kumar Poddar (PAN: AFTPP2386N) – The proposed allottee is a natural person. The percentage of post preferential issue capital of the Company that may be held by Mr. Saroj Kumar Poddar is 6.09%.

Further, there would be no change in the control of the Company pursuant to the proposed allotment.

*The Company has published a corrigendum in daily newspapers, namely Financial Express and Aajkaal on 4th November 2020 for the dissemination to its Members the required information as stated above.*

- Shareholders who are not the Members of the Company as on the Record Date shall treat this Notice for information purpose only.

## EXPLANATORY STATEMENT:

### Item No. 1

The Board of Directors of the Company ('Board'), at its Meeting held on Monday, 1st March 2021 has approved the proposal for fresh issue of capital for an amount not exceeding Rs 90,00,00,000 (Rupees Ninety Crore) by way of issue of Equity Shares up to 2,88,00,000 (Two Crore Eighty Eight Lakhs) Equity Shares having face value of Re. 1/- (Rupee One) each on preferential basis to Zuari Global Limited, a member of the Promoter group. In terms of Section 62 (1) (c) read with Section 42 of the Companies Act, 2013 ('Act') and Rules framed thereunder, and in accordance with the provisions of Chapter V "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR Regulations'), the issue of Equity Shares by way of Preferential Issue requires approval of the Members by way of a Special Resolution. The Board therefore, has recommended this item for the approval of the Members as set out in the Notice, by way of a Special Resolution.

The Board has authorised the issuance and allotment of up to 2,88,00,000 (Two Crore Eighty Eight Lakhs) Equity Shares at a price of Rs. 31/- (Rupees Thirty One) per Equity Share provided that the minimum price of Equity Shares so issued shall not be less than the price arrived at, in accordance with Chapter V of the ICDR Regulations, to Zuari Global Limited by way of a preferential allotment for a total consideration of Rs 90,00,00,000 (Rupees Ninety Crore), subject to approval of the Shareholders of the Company.

The disclosures for the issue of Equity Shares on preferential basis made in accordance with the provisions of Section 62 of the Act and the Rules framed thereunder and ICDR Regulations are as follows:

1.	The objects of the issue	To meet working capital requirement and general corporate purpose including repayment of debt.
2.	The total number of shares or other securities to be issued	Up to 2,88,00,000 (Two Crore Eighty Eight Lakhs) Equity Shares of Face value of Re. 1/- (Rupee One) each.
3.	The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them	Zuari Global Limited (CIN: L65921GA1967PLC000157) As on the date of this Notice, Zuari Global Limited holds 40,35,000 Equity Shares, i.e. 1.61 % of the pre preferential issue share capital of the Company. Zuari Global Limited was holding 40,35,000 Equity Shares of the Company, i.e. 1.79% of the paid up capital of the Company as on 1st April 2020. It is expected that Zuari Global Limited shall hold 11.76% of the post preferential-issue share capital of the Company. The post preferential issue capital structure of the Company is provided later in this Explanatory Statement.

4.	Class or classes of persons whom the allotment is proposed to be made	Promoter / Promoter Group
5.	The price or price band at which the allotment is proposed	The issue price is Rs. 31/- (Rupees Thirty One) per Equity Share provided that the minimum price of Equity Shares so issued shall not be less than the price arrived at, in accordance with Chapter V of the ICDR Regulations.
6.	Basis on which the price has been arrived at	<p>The Equity Shares of Company are listed and frequently traded on Stock Exchanges, viz. BSE Limited and National Stock Exchange of India Ltd ('NSE'). In accordance with ICDR Regulations, NSE has higher trading volume during the 26 weeks preceding the Relevant Date. Hence, for the purpose of computation of the allotment price per Equity Share, the relevant price on NSE has been considered. In terms of the applicable provisions of ICDR Regulations, the price at which Equity Shares shall be allotted shall not be less than higher of the following:</p> <p>(a) average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the twenty-six (26) weeks preceding the Relevant Date; or</p> <p>(b) average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the two (2) weeks preceding the Relevant Date.</p> <p>An amount of Rs. 31 (Rupees Thirty One) arrived at after calculating in the aforesaid manner has been considered as minimum issue price for the issue of Equity Shares.</p> <p>Since the Equity Shares of the Company have been listed on the recognised Stock Exchanges for a period of more than 26 weeks prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, the Company is not required to submit the undertaking specified under the Regulations 163 (1) (g) and 163 (1) (h) of the ICDR Regulations.</p>
7.	Relevant Date	The "Relevant Date" for the offer, issue and allotment of the Equity Shares by way of a preferential issue, as per the ICDR Regulations, for determination of minimum price for the issue of said Equity Shares is Tuesday, 23rd February 2021, (being 30 days prior to the date of passing of Special Resolution at the EGM scheduled on Thursday, 25th March 2021 to approve the proposed preferential issue).
8.	Proposal / Intention of Promoters, Directors or Key Managerial Personnel to subscribe the offer	<p>The Promoter Group is interested in the Resolution to the extent of their aggregate shareholding and subsequent increase in the same pursuant to the proposed allotment.</p> <p>Except the Promoter / Promoter group, Mr. Saroj Kumar Poddar and Mr. Akshay Poddar and their relatives, no other Director or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to their Shareholding interest, if any, in the Company.</p>
9.	Proposed time within which the preferential issue shall be completed	Under Regulation 170 of the ICDR Regulations, Preferential Allotment of the Equity Shares is required to be completed within a period of 15 (fifteen) days from the date of passing of the Special Resolution by the shareholders of the Company or within the statutory time limits prescribed by the regulatory authorities, subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall commence from the date of such approval or permission being obtained.
10.	Change in Control, if any, in the Company that would occur consequent to the preferential offer	There shall be no change in the Management or Control of the Company pursuant to the aforesaid issue and allotment of the Equity Shares.

11.	Shareholding Pattern before and after the Preferential Issue	Provided in tabular form later in this Explanatory Statement		
12.	No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:	2 (two)		
		<b>Name of Persons to whom allotment on Preferential basis was made during the financial year 2020-21</b>	<b>No of Equity Shares issued</b>	<b>Price (Rs.)</b>
		Adventz Finance Private Limited	93,54,839	31
		Saroj Kumar Poddar (as an Individual)	1,61,29,031	31
		The Equity Shares were issued to the aforesaid allottees pursuant to conversion of loan availed from them into Equity Shares of the Company.		
13.	Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable		
14.	Lock-in period	The Equity Shares issued pursuant to this Preferential Allotment to Zuari Global Limited shall be locked-in as per Regulations 167 and 168 and other applicable provisions of ICDR Regulations.		
15.	Auditor's certificate	Messrs L. B. Jha & Co., Chartered Accountants, Statutory Auditors of the Company, has issued a certificate confirming that the issue of the Equity Shares is being made in accordance with the requirements of the ICDR Regulations.  A copy of the certificate is open for inspection through electronic mode from the date hereof and up to the date of the EGM.		
16.	Identity of Proposed Allottee (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/or who ultimately control), the percentage (%) of Post Preferential Issue Capital that may be held by them and Change in Control, if any, consequent to the Preferential Issue	<p>Zuari Global Limited (CIN: L65921GA1967PLC000157). Registered Office: Jai Kisaan Bhawan, Zuarinagar, Goa- 403726</p> <p>Zuari Global Limited is a listed company and therefore no further disclosure with respect to ultimate beneficial owners is necessary in terms of proviso to Regulation 163 (1) (F) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.</p> <p>As on the date of this Notice, Zuari Global Limited holds 40,35,000 Equity Shares, i.e. 1.61 % of the pre preferential issue share capital of the Company.</p> <p>Zuari Global Limited was holding 40,35,000 Equity Shares, i.e. 1.79 % of the paid-up capital of the Company as on 1st April, 2020.</p> <p>It is expected that Zuari Global Limited shall hold 11.76% of the post preferential-issue share capital of the Company. There shall be no change in control of the Company pursuant to the proposed preferential issue.</p>		
17.	Other Disclosures	<p>a. None of the Promoter or Directors are wilful defaulter.</p> <p>b. Zuari Global Limited has not sold any Equity Shares during the six months preceding the Relevant Date.</p>		

Shareholding Pattern of the Company before and after the proposed Preferential Allotment:

Category	Pre preferential issue		Post preferential issue	
	No of Shares	%	No of Shares	%
Promoters and Promoter Group (A)	14,15,60,880	56.55	17,03,60,880	61.03
Public (B)	10,87,82,372	43.45	10,87,82,372	38.97
Total (A) + (B)	25,03,43,252	100.00	27,91,43,252	100.00
Custodian (C)	-	--	-	--
Grand Total (A) + (B) + (C)	25,03,43,252	100.00	27,91,43,252	100.00

Further, shareholding of Zuari Global Limited pre and post issue is as follows:

Name of the Proposed Allottee	Pre-Preferential Holding		No. of Equity shares to be allotted up to	Post-Preferential Holding	
	No. of Shares	% of Holding		No. of Shares	% of Holding
Zuari Global Limited	40,35,000	1.61*	2,88,00,000	3,28,35,000	11.76

*\*It may be noted that Zuari Global Limited held 1.79% of the paid up capital of the Company as on 1st April 2020. However, pursuant to the allotment of 93,54,839 Equity Shares and 1,61,29,031 Equity Shares to Adventz Finance Private Limited and Mr. Saroj Kumar Poddar respectively on 23rd February 2021, the shareholding of Zuari Global Limited was diluted to 1.61% of the paid up capital of the Company.*

In terms of Section 62(1)(c) read with Section 42 of the Companies Act, 2013 ('Act') and rules framed thereunder, and in accordance with the provisions of Chapter V "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations), the issue of Equity Shares by way of Preferential Issue requires approval of the Members by way of a Special Resolution.

Except the Promoter / Promoter group, Mr. Saroj Kumar Poddar and Mr. Akshay Poddar and their relatives, no other Director or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to their Shareholding interest, if any, in the Company.

The Board of Directors recommends the passing of the proposed Resolution as set out at Item no. 1 by way of a Special Resolution.

## Item No. 2

The Members are informed that the Objects of the Company (Clause III of the Memorandum of Association of the Company) as currently in force is divided into (A) Main Objects; (B) Objects incidental or ancillary to attain main objects and (C) Other objects. In terms of Section 4 of the Companies Act, 2013, Objects clause III of the Memorandum of Association

of the Company shall state the objects for which the company is incorporated and any matter considered necessary in furtherance of the objects thereof. Further, in order to enable the Company to enter into newer fields of upcoming opportunities in defence segment from time to time, it is proposed to enlarge the Objects clause of the Memorandum of Association by inserting a sub-clause in the Objects clause.

Further in view of the notification of Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Rules framed thereunder, it is proposed to amend the existing Memorandum of Association of the Company to include the new Objects clause and to align the same with the Companies Act, 2013.

Copy of existing and amended Memorandum of Association of the Company will be available for inspection by Members of the Company through electronic mode from the date of circulation of this Notice till the date of Extra Ordinary General Meeting, and has been uploaded on the Company's website under the section Investors Relation for perusal by the Members.

The Board of Directors at its Meeting held on Friday, 29th January 2021, has approved the enlargement of the Objects clause of the Memorandum of Association of the Company including amendments to the Memorandum of Association of the Company making the same aligned with the provisions of the Companies Act, 2013. As per the provisions of Section 13 of

the Companies Act, 2013 & other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), the Company requires the members' approval by way of Special Resolution for making alteration to the Memorandum of Association of the Company.

No Director or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to their Shareholding interest, if any, in the Company.

The Board of Directors recommends the passing of the proposed Resolution as set out at Item no. 2 by way of a Special Resolution.

### Item No. 3

The Articles of Association of the Company as currently in force was adopted under the regime of the Companies Act, 1956. The references to specific Sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with introduction of new provisions of the Companies Act, 2013. It is therefore proposed to amend the existing Articles of Association to align it with the provisions of the Companies Act, 2013 including the Rules framed thereunder and adoption of specific clauses from Schedule I to the Companies Act, 2013 which sets out the model Articles of Association.

The Board of Directors at its Meeting held on Friday, 29th January 2021, has approved the amendments to the Articles of Association of the Company making the same aligned with the provisions of the Companies Act, 2013. As per Section 14 of the Companies Act, 2013, & other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), alteration in Articles of Association of the Company requires approval of shareholders of the Company by way of Special Resolution.

Copy of existing and amended Articles of Association of the Company will be available for inspection by Members of the Company through electronic mode from the date of circulation of this Notice till the date of Extra Ordinary General Meeting, and has been uploaded on the Company's website under the section Investors Relation for perusal by the Members.

No Director or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to their Shareholding interest, if any, in the Company.

The Board of Directors recommends the passing of the proposed Resolution as set out at Item no. 3 by way of a Special Resolution.

### Item No. 4

The Board of Directors on the recommendation of the Nomination and Remuneration Committee and subject to the approval of Shareholders, has approved the appointment of Mr. Ashish Kumar Gupta as the Executive Director and designated as Deputy Managing Director of the Company, liable to retire by rotation, for a period of 3 (three) years with effect from 17th November 2020. The Company has received a valid notice in terms of Section 160 of the Companies Act, 2013 ('Act') proposing the candidature of Mr. Gupta for the office of Director.

The following additional information as required under Schedule V to the Act is given below:

#### I. General Information:

##### (i) Nature of Industry:

The Company is, inter alia, involved in the business of manufacturing of rolling stock, hydro mechanical equipments, steel castings, Rail EPC, bridges and other steel structures.

##### (ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 25th June 1998. The Heavy Engineering and Steel Foundry businesses of the then formed Company namely, Texmaco Limited were demerged into this Company. The operation of the plants of Texmaco Limited were started in 1939.

##### (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

##### (iv) Financial performance based on given indicators – (as per audited financial statements for the year ended 31st March 2020)

Particulars	(₹ in Crores)
Gross Turnover	1,831.80
Other Income	27.26
Net profit as per Statement of Profit & Loss (After Tax)	(65.84)

##### (v) Foreign investments or collaborators, if any:

Not Applicable.

**II. Information about the appointee:**

**(i) Background details:**

Mr. Ashish Kumar Gupta, 49 years of age, is a graduate in Electrical Engineering from IIT Roorkee (1993 batch). He has completed General Management Program from XLRI, Jamshedpur and CEDEP (INSEAD), France. He is extensively trained on Operations Maintenance Technology, Safety, SPC and TQM in India and abroad.

In his career, Mr. Gupta has developed proficiency in capacity exploitation and de-bottlenecking, cost management, business growth and scale up of operations, new business development and management of large work force and organization. He is an effective communicator with excellent relationship management skills and strong analytical, leadership, decision making, problem solving & organizational abilities.

He joined Tata Steel as a Graduate Trainee in 1993, and in the span of 24 years of his association with Tata Steel, he has held various important positions in several divisions within the Tata Group.

Mr. Gupta was the Managing Director of TM International Logistics Limited (A Tata Steel JV) from 2017 till 2020 and has played an important role in the rapid growth of the Company. He has also been a Member of the Board of TKM India and ISL, Dubai and Tata NYK, Singapore.

**(ii) Past remuneration during the financial year ended 31st March 2020: Nil**

**(iii) Recognition or awards:**

Stated under background details above.

**(iv) Job Profile and his suitability:**

Stated under background details above.

**(v) Remuneration proposed:**

Pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions read with Schedule V to the Act together with the Rules framed thereunder (including any statutory modification(s) or re-enactments(s) thereof), Mr. Gupta be appointed as the Executive Director and designated as Deputy Managing Director of the Company the following terms and conditions:

1.	Salary	Rs. 5,00,000/- per month with increments as may be decided by the Board of Directors from time to time subject to a yearly overall ceiling of 25% of last paid remuneration.
2.	Other Allowances (including special allowance)	Rs. 5,16,000 /- per month.
3.	Variable Pay	Linked with performance, subject to maximum of 40% of the fixed components.
4.	Perquisites:	
	CATEGORY – A	
a)	Housing	(i) Free furnished accommodation or HRA up to 30% of salary. (ii) The expenditure incurred on gas, electricity, water and furnishing shall be valued as per Income-tax Act, 1962.
b)	Medical Reimbursement / Allowance	As per the Rules of the Company.
c)	Leave Travel Concession	For self and his family once in a year in accordance with the Rules of the Company.
d)	Bonus / Exgratia	As per the Rules of the Company.
e)	Leave	As per the Rules of the Company.
f)	Club fees	Membership fee for the club as per the Rules of the Company.

	CATEGORY – B	
a)	Contribution to Provident Fund, Superannuation Fund and National Pension Scheme	As per the Rules of the Company.
b)	Gratuity	As per the Rules of the Company.
	CATEGORY – C	Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. However, long distance calls on telephone and use of car for private purpose shall be billed by the Company.
5.	In the event of the loss or inadequacy of profit in any financial year during his tenure as the Executive Director and Deputy Managing Director, the aforesaid remuneration shall be treated as minimum remuneration.	
6.	The annual variation and increase in the remuneration of Executive Director and Deputy Managing Director, shall not exceed 5% of the profits of the Company as calculated under Sections 197 and 198 of the Act, read with the limits specified in Schedule V.	

**(vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

Taking into consideration the size of the Company, the profile of Mr. Gupta, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

**(vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Besides the remuneration proposed to be paid to him, Mr. Gupta does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

**III. Other Information:**

**(i) Reasons of loss or inadequate profits:**

The last few years have seen disruption in the performance of the Company due to poor off-take of wagons by the Indian Railways coupled with overall downtrend in the economy. Additionally, worldwide COVID-19 pandemic spread in India in January 2020 which took a toll on the human lives and the world economy. The unprecedented situation has greatly affected the performance of the Company for the last quarter of the financial year 2019-20.

Furthermore, the Company had made a significant provision during the year ended 31st March 2020 amounting Rs. 149.92 Crore on account of impairment of assets of the Rail EPC - Kalindee Division in respect of certain legacy contracts which were under execution for a long time and the pending obligations thereunder were completed during the year. This has also led to decline in profitability of the Company.

**(ii) Steps taken or proposed to be taken for improvement and Expected increase in productivity and profits in measurable terms:**

The Railway infrastructure segment continues to remain the focus area of the Government. The plan of the Railway reinforces the importance of raising resources for expansion of network, doubling of lines, upgradation of signalling system, rail safety, and modernisation of the existing infrastructure. The opportunities in the Rail Infra sector will certainly benefit the Rail EPC business of the Company. The mega plan of Indian Railways for Freight Corridors is going on to meet the targeted timeline and this would certainly open up the demand for increased number of wagons for the Rolling Stock Division of the Company.

The Steel Foundry Division has been able to exhibit the advantage of acquisition of Urla unit – Raipur. The Division has reported a robust performance during the year and it is expected that the Division would continue to accomplish better performance to meet the emerging demand for Railway wagon castings.

#### IV. Disclosures:

The information and disclosures of the remuneration package of Mr. Gupta is as under:

Name of the Director	Designation	Salary (Rs.) per month	Perquisites and Allowances (Rs.) per month	Retirement Benefits (Rs.) per month
Mr. Ashish Kumar Gupta	Executive Director & Deputy Managing Director	5,00,000	5,16,000	As per Company's Rules.

Additionally, Mr. Gupta is entitled for variable pay which shall be linked with performance, subject to 40% of the fixed components.

This also forms a part of disclosure as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received consent from Mr. Gupta to act as a Director and a declaration that he is not disqualified under Section 164 of the act as such.

Except Mr. Gupta and his relatives, no other Director or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to their Shareholding interest, if any, in the Company. The Board of Directors recommends the passing of the proposed Resolution as set out at Item no. 4 by way of a Special Resolution.

##### Item No. 5:

The Board of Directors on the recommendation of the Nomination and Remuneration Committee and subject to the approval of Shareholders, has approved the appointment of Mr. Virendra Sinha as an Independent Director for a period of 3 (three) years with effect from 17th February 2021. The Company has received a valid notice in terms of Section 160 of the Companies Act, 2013 ('Act') from a Member of the Company proposing the candidature of Mr. Sinha for the office of Director.

Mr. Sinha, a Post-graduate in Business Administration from Allahabad University, started his career with Balmer Lawrie and Company Limited in the year 1980 as a Management Trainee. With over four decades of varied corporate experience, Mr. Sinha effectively handled diverse roles in Sales & Marketing, Operations and Materials Management. From 1995 to 2003, he headed Balmer Lawrie (U.K.) Ltd., a wholly owned subsidiary of Balmer Lawrie which was engaged in Leasing of Freight Containers and Tea Blending & Packaging. In 2004, he briefly left Balmer Lawrie to join Global Tea & Commodities Ltd. and thereafter Typhoo Tea Ltd. & re-joining Balmer Lawrie (U.K.) Ltd. in 2006. In 2008, he moved back to India as Executive Director

- Logistics Infrastructure of Balmer Lawrie and was elevated to Service Business segment in June 2010 where he spearheaded various key service business units of Balmer Lawrie. In January 2012 he took over as the Chairman & Managing Director of Balmer Lawrie and superannuated in July 2015. Currently, Mr. Sinha holds the position of Independent Director in various other companies.

The Company has received consent from Mr. Sinha to act as a Director and a declaration that he is not disqualified under Section 164 of the Act to hold such office.

Further, the Company has also received a declaration from Mr. Sinha that he meets the criteria of Independence as prescribed under Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Mr. Sinha has also affirmed to the Company that he has registered himself with the databank maintained by the Indian Institute of Corporate Affairs (IICA) as an Independent Director in compliance with the prescribed Rules under the Act.

As per the opinion of the Board, he fulfils the criteria specified in the Act and the Rules framed thereunder and the Listing Regulations for his appointment as an Independent Director.

The Board of Directors is of the opinion that his vast knowledge and varied experience will be of great value to the Company.

Except Mr. Sinha and his relatives, none of the Directors or Key Managerial Personnel including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to their Shareholding interest, if any, in the Company.

The Board of Directors recommends the passing of the proposed Resolution as set out at Item no. 5 by way of an Ordinary Resolution.

##### Item No. 6:

The Board of Directors on the recommendation of the Nomination and Remuneration Committee and subject to the approval of Shareholders, has approved the appointment of

Ms. Rusha Mitra as an Independent Director for a period of 3 (three) years with effect from 17th February 2021. The Company has received a valid notice in terms of Section 160 of the Companies Act, 2013 ('Act') from a Member of the Company proposing the candidature of Ms. Mitra for the office of Director.

Ms. Mitra, a law graduate from The W. B. National University of Juridical Sciences Kolkata, has spent over a decade at Messrs Khaitan & Co, Advocates and has specialisation in corporate restructuring, mergers, acquisitions, demergers, reconstructions and reorganisation and advises companies on wide range of corporate law matters and Insolvency & Bankruptcy related matters. She also has experience in various aspects of law, including commercial and civil litigation and has appeared before High Courts, National Company Appellate Law Tribunal, National Company Law Tribunals and other authorities in various jurisdictions including Kolkata, Chennai, Bhubaneswar, Jaipur, Guwahati and Shillong.

Currently, Ms. Mitra holds the position of Independent Director in various other companies.

The Company has received consent from Ms. Mitra to act as a Director and a declaration that she is not disqualified under Section 164 of the Act to hold such office.

Further, the Company has also received a declaration from Ms. Mitra that she meets the criteria of Independence as prescribed under Section 149(6) of the Act and the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Ms. Mitra has also affirmed to the Company that she has registered herself with the databank maintained by the Indian Institute of Corporate Affairs (IICA) as an Independent Director in compliance with the prescribed Rules under the Act.

As per the opinion of the Board, she fulfils the criteria specified in the Act and the Rules framed thereunder and the Listing Regulations for her appointment as an Independent Director.

The Board of Directors is of the opinion that her vast knowledge and varied experience will be of great value to the Company.

Except Ms. Mitra and her relatives, none of the Directors or Key Managerial Personnel including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Resolution except to their Shareholding interest, if any, in the Company.

The Board of Directors recommends the passing of the proposed Resolution as set out at Item no. 6 by way of an Ordinary Resolution.

**Related Information of Directors seeking appointment or re-appointment at the forthcoming Extra-Ordinary General Meeting for item nos. 4, 5 & 6.**

*[In pursuance of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards]*

Name of the Director	Mr. Ashish Kumar Gupta	Mr. Virendra Sinha	Ms. Rusha Mitra
Age (in years)	49	65	35
Qualification	B. Tech (Electrical Engineering)	Post-graduate in Business Administration	L.L.B.
Date of first Appointment on the Board	17 <sup>th</sup> November 2020	17 <sup>th</sup> February 2021	17 <sup>th</sup> February 2021
Expertise in specific functional areas	<ul style="list-style-type: none"> <li>Extensively trained on Operations-Maintenance Technology, Safety, SPC and TQM in India and abroad.</li> <li>Proficient in capacity exploitation, de-bottlenecking, cost management, new business development and organization management.</li> <li>Effective communicator with excellent relationship management skills, strong analytical, leadership, decision making and problem solving abilities.</li> </ul>	<ul style="list-style-type: none"> <li>Has over four decades of varied corporate experience.</li> <li>Has handled diverse roles in Sales &amp; Marketing, Operations and Materials Management.</li> <li>Past Chairman &amp; Managing Director of Messrs. Balmer Lawrie &amp; Co. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Lawyer with over 10 years of practice.</li> <li>Has experience in various aspects of law, including commercial and civil litigation.</li> <li>Has specialisation in corporate restructuring, mergers, acquisitions, demergers, reconstructions, reorganisation, corporate law matters and Insolvency &amp; Bankruptcy related matters.</li> </ul>

Name of the Director	Mr. Ashish Kumar Gupta	Mr. Virendra Sinha	Ms. Rusha Mitra
Remuneration last Drawn (Rs.)	N.A.	N.A.	N.A.
Shareholding in the Company	NIL	NIL	NIL
Relationship with other Director / KMP in the Company	N.A.	N.A.	N.A.
Directorship held in other Companies	NIL	<ul style="list-style-type: none"> <li>• Etrans Solutions Private Limited</li> <li>• TM International Logistics Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Lux Industries Limited</li> <li>• Gmmco Limited</li> <li>• Harrisons Malayalam Limited</li> <li>• GKW Limited</li> </ul>
Chairmanship / Membership of Committees in Companies including those in the Company	NIL	<p>TM International Logistics Limited</p> <ul style="list-style-type: none"> <li>- Chairperson of Audit Committee, Nomination &amp; Remuneration Committee and Corporate Social Responsibility Committee.</li> </ul>	<p>Harrison Malayalam Limited</p> <ul style="list-style-type: none"> <li>- Chairperson of Audit Committee, Nomination and Remuneration Committee and Member of Stakeholders Relationship Committee</li> </ul> <p>GKW Limited</p> <ul style="list-style-type: none"> <li>- Chairperson of Nomination and Remuneration Committee and Member of Stakeholders Relationship Committee</li> </ul> <p>GMMCO Limited</p> <ul style="list-style-type: none"> <li>- Member of Nomination and Remuneration Committee</li> </ul>

