

## **NOTICE OF THE EXTRA ORDINARY GENERAL MEETING OF THE COMPANY**

**NOTICE** is hereby given that the Extra Ordinary General Meeting of the Shareholders of **VAXTEX COTFAB LIMITED** will be held on Wednesday, 1<sup>st</sup> February, 2023 at 3:00 P.M. through Video Conferencing (VC) / Other Audio Video Means (OAVM) to transact the following **Special Business**.

### **1. Approval of Sub-division of Equity Shares of the Company**

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 Section 61 and any other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable laws, rules and regulations for the time being in force, if any, prescribed by any relevant authorities from time to time, to the extent applicable, subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary, approval of the Members of the Company be and is hereby accorded for sub-division of 1 (One) Equity share of the Company having face value of Rs. 2/- (Rupees Two Only) each into 2 (Two) Equity shares having face value of Re. 1/- (Rupee One Only) each."

**"RESOLVED FURTHER THAT**, pursuant to the sub-division of Equity shares of the Company from face value of Rs. 2/- (Rupees Two Only) each to face value of Re. 1/- (Rupee One Only) each, the existing Authorised and Paid-up Equity Share Capital of the Company as on record date as may be decided by the Board (which shall include any Committee thereof) shall stand sub-divided as given below:

| Particulars                                  | Pre-sub division of Equity Shares |                     |                              | Post-sub division of Equity Shares |                     |                              |
|--|-----------------------------------|---------------------|------------------------------|------------------------------------|---------------------|------------------------------|
|  | No. of shares                     | Face Value (in Rs.) | Total Share Capital (in Rs.) | No. of shares                      | Face Value (in Rs.) | Total Share Capital (in Rs.) |
| Authorised Share Capital                     | 8,50,00,000                       | 2/-                 | 17,00,00,000/-               | 17,00,00,000                       | 1/-                 | 17,00,00,000/-               |
| Issued, Subscribed and Paid-up share capital | 5,01,95,815                       | 2/-                 | 10,03,91,630/-               | 10,03,91,630                       | 1/-                 | 10,03,91,630/-               |

**"RESOLVED FURTHER THAT**, pursuant to the sub-division of the face value of Equity Shares as mentioned above the existing share certificate(s) in relation to the existing issued Equity Shares having face value of Rs. 2/- (Rupees Two Only) each held in the physical form shall be deemed to have been automatically cancelled with effect from the record date to be fixed by the Board, and the board be and is hereby authorised without requiring to surrender the existing issued share certificate(s) by the Members to issue new share certificate in lieu of the existing share certificate(s) with regard to the sub-divided shares and in case of Equity shares held in the dematerialized form, the number of sub-divided Equity shares be credited to the respective beneficiary accounts of the Members with the Depository Participants, in lieu of existing credits in

their beneficiary accounts representing the Equity shares of the Company before sub-division.”

**“RESOLVED FURTHER THAT**, the Board of Directors and / or Company Secretary of the Company be and are hereby authorised to take all such steps as may be required to obtain approvals in relation to above and do all such further acts, deeds or things as may be required to give effect to the sub-division of Equity shares of the Company.”

**“RESOLVED FURTHER THAT**, the Board of Directors of the Company and / or Company Secretary be and are hereby severally authorised to (a) delegate execution and filing of necessary applications, declarations and other documents with Stock Exchanges, Depositories, Depository Participants, Registrar & Transfer Agent and / or any other statutory authority(ies), if any; (b) cancel the existing physical share certificates; (c) settle any question or difficulty that may arise with regard to the sub-division of the shares as aforesaid or for any matter connected herewith or incidental thereto and (d) do all such acts, deeds, things, including all the matters incidental thereto in order to implement the foregoing resolution.”

## **2. Approval of alteration in Clause V i.e. Capital clause of the Memorandum of Association of the Company.**

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 Section 13, 61, 64 and other applicable provisions of the Companies Act, 2013, if any, read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and upon sub-division of Equity Shares, consent of the Members of the Company be and is hereby accorded to alter the Authorised Share Capital of the Company from the existing Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 8,50,00,000 (Eight Crore Fifty Lakhs) Equity shares of Rs. 2/- (Rupees Two Only) each to Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 17,00,00,000 (Seventeen Crores) Equity shares of Re. 1/- (Rupee One Only) each ranking pari passu in all respect with the Existing Equity shares of the Company.”

**“RESOLVED FURTHER THAT**, pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, the existing Clause V of Memorandum of Association of the Company be and is hereby substituted by the following new clause:

***V. The Authorised Share Capital of the Company is Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 17,00,00,000 (Seventeen Crores) Equity Shares of Re. 1/- (Rupee One Only) each.***

**“RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution, the Board of the Directors (hereinafter referred to as “Board” which term shall include a Committee thereof authorised for the purpose) and / or Company Secretary of the Company be and are hereby authorised to take all such necessary steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

### 3. Offer, issue and allot Equity shares on Preferential basis for consideration in cash:

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

**“RESOLVED THAT**, pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Act”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), as amended from time to time, the listing agreements entered into by the Company with the National Stock Exchange of India Limited on which the Equity Shares of the Company having to Face Value of Re. 1/- (Rupee One Only) each (considering the effect of sub-division of shares) (“Equity Shares”) are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs (“MCA”), the Securities and Exchange Board of India (“SEBI”) and/or any other competent authorities (hereinafter referred to as “Applicable Regulatory Authorities”) from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), the consent and approval of the Members of the Company (“Members”) be and is hereby accorded to the Board to create, issue, offer and allot at an appropriate time, in one or more tranches, up to 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise Only) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise Only) per share (‘Preferential Allotment Price’), aggregating to not exceeding Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off nearby zero), which is not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations (hereinafter referred to as the “Floor Price”), to the Proposed Allottee, who is not a Promoter and who does not belong to the Promoter Group of the Company, for consideration in cash, on a preferential issue basis (“Preferential Allotment”) on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws:

|  |  |
|--|--|
| Name of the Proposed Allottee              | Ms. Sejal Tarakbhai Agrawal  |
| Details of the Proposed Allottee           | Country of origin: India<br>Category: Non-Promoter (Public Shareholder)  |
| No. of Equity Shares proposed to be issued | 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) Equity Shares of Face Value of Re. 1/- each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise) |

**“RESOLVED FURTHER THAT,** in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the Relevant Date for determining the price for the Preferential Issue of the Equity Shares is Monday, 2<sup>nd</sup> January 2023 i.e. the date 30 days prior to the date of the Extra-Ordinary General Meeting (“Relevant Date”) on which this special resolution is proposed to be passed.”

**“RESOLVED FURTHER THAT,** without prejudice to the generality of the above resolution, the issue of the Equity Shares under the Preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a. The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges subject to receipt of necessary regulatory permissions and approvals as the case maybe.
- b. The Equity Shares allotted shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations.

However, in addition to the lock-in period prescribed under ICDR Regulations, the said Equity Shares shall along with any further issuance of shares such as Bonus Shares, which may arise in future, shall be locked in for a further period as may be mutually agreed upon by the Company and the Pro-posed Allottee.

- c. The Equity Shares to be issued and allotted shall be fully paid up and rank pari-passu with the existing Equity Shares of the Company in all respects from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- d. The Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.
- e. The Equity Shares so offered and issued to the Proposed Allottee, are being issued for consideration in cash;
- f. The Equity Shares so offered, issued and allotted shall not exceed the number of Equity Shares as approved herein above.

Without prejudice to the generality of the above, the issue of the Equity Shares shall be subject to the terms and conditions as contained in the explanatory statement under Section 102 of the Act annexed hereto, which shall be deemed to form part hereof.”

**“RESOLVED FURTHER THAT,** the Board be and is hereby authorized to accept any modification(s) in the terms of issue of Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.”

**“RESOLVED FURTHER THAT,** any rights or Bonus shares or any entitlements which may arise pursuant to the said allotted shares shall have same effect including lock in period, as that of the Equity Shares issued pursuant to the said preferential issue.”

**“RESOLVED FURTHER THAT,** subject to the receipt of such approvals as may be required under applicable law consent of the Members of the Company be and is hereby accorded to record the name and details of the Proposed Allottee in Form PAS-5, and issue a private placement offer cum application letter in Form PAS-4, to the Proposed Allottee in accordance with the provisions of the Act, after passing of this resolution with a stipulation that the allotment would be made only upon receipt of In-principle approval from the Stock Exchange i.e. National Stock Exchange of India Limited within the timelines prescribed under the applicable laws.”

**“RESOLVED FURTHER THAT,** the Company hereby takes note of the certificate from the Practicing Company Secretary certifying that the above issue of the Equity Shares is being made in accordance with the ICDR Regulations.”

**“RESOLVED FURTHER THAT,** for the purpose of giving effect to this resolution, any Member of the Board or any committee thereof or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be 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 Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilization of proceeds of the issue, filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.”

**“RESOLVED FURTHER THAT,** any Member of the Board and/ or Company Secretary of the Company be and are hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any Committee of the Board or any one or more Director(s) or any Officer(s) of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.”

**“RESOLVED FURTHER 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.”

#### **4. Offer, issue and allot Equity shares on Preferential Basis for consideration other than cash:**

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **Special Resolution:**

**“RESOLVED THAT,** pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Act”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), as amended from time to time, the listing agreements entered into by the Company with the National Stock Exchange of India Limited on which the Equity Shares of the Company having Face Value of Re. 1/- (Rupee One Only) (considering the effect of sub-division of shares) are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs (“MCA”), the Securities and Exchange Board of India (“SEBI”) and/or any other competent authorities (hereinafter referred to as “Applicable Regulatory Authorities”) from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), the consent and approval of the Members of the Company (“Members”) be and is hereby accorded to the Board to create, issue, offer and allot at an appropriate time, in one or more tranches, up to 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise) per share (“Preferential Allotment Price’), aggregating to not exceeding Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off nearby zero), which is not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations (hereinafter referred to as the “Floor Price”), to the Proposed Allottee, who is not a Promoter and who does not belong to the Promoter Group of the Company, for consideration other than cash (i.e. swap of shares of Proposed Allottee towards payment of total consideration payable to the trade payables of Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off nearby zero) as listed in the table below, on a preferential issue basis (“Preferential Allotment”) on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws:

|  |  |
|--|--|
| Name of the Proposed Allottee              | VAXFAB ENTERPRISES LIMITED (Formerly known as ELLORA TRADING LIMITED)  |
| Details of the Proposed Allottee           | Country of Incorporation: India<br>Category: Non-Promoter (Public Shareholder)   |
| No. of Equity Shares proposed to be issued | 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) Equity Shares of Face Value of Re. 1/- each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise) |

**“RESOLVED FURTHER THAT,** in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the Relevant Date for determining the floor price for the Preferential Issue of the Equity Shares is Monday, 2<sup>nd</sup> January 2023 i.e. the date 30 days prior to the date of the Extra-Ordinary General Meeting (“Relevant Date”) on which this special resolution is proposed to be passed.”

**“RESOLVED FURTHER THAT,** without prejudice to the generality of the above resolution, the issue of the Equity Shares under the Preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a. The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges subject to receipt of necessary regulatory permissions and approvals as the case maybe.

- b. The Equity Shares allotted shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations.

However, in addition to the lock-in period prescribed under ICDR Regulations, the said Equity Shares shall along with any further issuance of shares such as Bonus Shares, which may arise in future, shall be locked in for a further period as may be mutually agreed upon by the Company and the Proposed Allottee.

- c. The Equity Shares to be issued and allotted shall be fully paid up and rank pari-passu with the existing Equity Shares of the Company in all respects from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- d. The Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.
- e. The Equity Shares so offered and issued to the Proposed Allottee, are being issued for consideration other than cash, being the amount standing as the trade payables as per MOU and the allotment of such Shares will constitute the full consideration to be paid for the allotment of equity shares to the Proposed Allottee pursuant to this resolution;
- f. The Equity Shares so offered, issued and allotted shall not exceed the number of Equity Shares as approved herein above.

Without prejudice to the generality of the above, the issue of the Equity Shares shall be subject to the terms and conditions as contained in the explanatory statement under Section 102 of the Act annexed hereto, which shall be deemed to form part hereof.”

**“RESOLVED FURTHER THAT,** the Board be and is hereby authorized to accept any modification(s) in the terms of issue of Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.”

**“RESOLVED FURTHER THAT,** any rights or Bonus shares or any entitlements which may arise pursuant to the said allotted shares shall have same effect including lock in period, as that of the Equity Shares issued pursuant to the said preferential issue.”

**“RESOLVED FURTHER THAT,** subject to the receipt of such approvals as may be required under applicable law consent of the Members of the Company be and is hereby accorded to record the name and details of the Proposed Allottee in Form PAS-5, and issue a private placement offer cum application letter in Form PAS-4, to the Proposed Allottee in accordance with the provisions of the Act, after passing of this resolution with a stipulation that the allotment would be made only upon receipt of In-principle approval from the Stock Exchange i.e. National Stock Exchange of India Limited within the timelines prescribed under the applicable laws.”

**“RESOLVED FURTHER THAT,** the Company hereby takes note of the certificate from the Practicing Company Secretary certifying that the above issue of the Equity Shares is being made in accordance with the ICDR Regulations.”

**“RESOLVED FURTHER THAT,** for the purpose of giving effect to this resolution, any Member of the Board or any committee thereof or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be 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 Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilization of proceeds of the issue, filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.”

**“RESOLVED FURTHER THAT,** any Member of the Board and/ or Company Secretary of the Company be and are hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any Committee of the Board or any one or more Director(s) or any Officer(s) of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.”

**“RESOLVED FURTHER 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.”

**5. Approval of the request received by Ms. Kresha Gupta for reclassification of their shareholding from ‘Promoter / Promoter Group’ to ‘Public’ Category.**

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 Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“Listing Regulations”) and other applicable laws and subject to necessary approvals from the National Stock Exchange of India Limited (“NSE”) and such other approvals as may be necessary and in accordance with the recommendation of the Board, consent of the Members be and is hereby accorded for the reclassification of the status of following person / entity (hereinafter referred to as the 'Outgoing Person') from "Promoter / Promoter Group" category to the "Public" category shareholder of the Company.

| <b>Sr. No.</b> | <b>Name of the Outgoing Person</b> | <b>Relation</b> | <b>No. of equity shares held</b> | <b>(%) Percentage of Shareholding / Voting Rights</b> |
|----------------|------------------------------------|-----------------|----------------------------------|---|
| 1.             | Kresha Kailash Gupta               | Promoter Group  | 30955                            | 0.06  |



**“RESOLVED FURTHER THAT,** upon receipt of necessary approval(s) for reclassification of the aforementioned Outgoing Person, the Company shall affect such re-classification in the statement of shareholding pattern of the Company to be filed under Regulation 31 of the Listing Regulations from the immediate succeeding quarter and in all other disclosures as may be required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions for the time being in force.”

**“RESOLVED FURTHER THAT,** any director of the Company, be and is hereby authorised to intimate Stock Exchange i.e. National Stock Exchange of India Limited (“NSE”) post member’s approval and to submit a reclassification application to the Stock Exchange i.e. National Stock Exchange of India Limited (“NSE”) within the permitted time and to execute all such forms, documents, instruments, papers and writings etc., on behalf of the Company, as may be required from time to time, to do and to perform all such acts, deeds and things as may be necessary to give effect to this resolution and to settle any question, difficulty or doubt, that may arise in giving effect to aforementioned resolution.”

**6. Approval of the request received by Mr. Sanjaykumar P. Agrawal for reclassification of their shareholding from ‘Promoter / Promoter Group’ to ‘Public’ Category.**

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 Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“Listing Regulations”) and other applicable laws and subject to necessary approvals from the National Stock Exchange of India Limited (“NSE”) and such other approvals as may be necessary and in accordance with the recommendation of the Board, consent of the Members be and is hereby accorded for the reclassification of the status of following person/entity (hereinafter referred to as the 'Outgoing Person') from "Promoter / Promoter Group" category to the "Public" category shareholder of the Company.

| <b>Sr. No.</b> | <b>Name of the Outgoing Person</b> | <b>Relation</b> | <b>No. of equity shares held</b> | <b>(%) Percentage of Shareholding / Voting Rights</b> |
|----------------|------------------------------------|-----------------|----------------------------------|---|
| 1.             | Sanjaykumar P. Agrawal             | Promoter Group  | 91510                            | 0.18  |

**“RESOLVED FURTHER THAT,** upon receipt of necessary approval(s) for reclassification of the aforementioned Outgoing Person, the Company shall affect such re-classification in the statement of shareholding pattern of the Company to be filed under Regulation 31 of the Listing Regulations from the immediate succeeding quarter and in all other disclosures as may be required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions for the time being in force.”

**“RESOLVED FURTHER THAT,** any director of the Company, be and is hereby authorised to intimate Stock Exchange i.e. National Stock Exchange of India Limited (“NSE”) post member’s approval and to submit a reclassification application to the Stock Exchange i.e. National Stock Exchange of India Limited (“NSE”) within the permitted time and to execute all such forms, documents, instruments, papers and writings etc., on behalf of the Company, as may be required from time to time, to do and to perform all such acts, deeds and things as may be necessary to give effect to this resolution and to settle any question, difficulty or doubt, that may arise in giving effect to aforementioned resolution.”

**Registered Office:**

Survey No. 230, Opp. Mariya Park,  
B/h. Ranipur Village,  
Saijpur - Gopal, Narol,  
Ahmedabad – 382 405,

**Date:** 7<sup>th</sup> January, 2023

**Place:** Ahmedabad

**By order of the Board  
For, Vaxtex Cotfab Limited**

**Sd/-  
Mithileshkumar Agrawal  
Managing Director  
DIN: 03468643**

**NOTES:**

1. The relevant Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act') read with Section 110 of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014 ('Rules'), each as amended, setting out the material facts relating to the aforesaid Resolutions and the reasons thereof is annexed hereto and forms part of this Notice.
2. In view of the continuing COVID-19 pandemic, the Extra Ordinary General Meeting (EGM) will be held on Wednesday, 1<sup>st</sup> February, 2023 at 3:00 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in compliance with the applicable provisions of the Companies Act, 2013 read with Ministry of Corporate Affairs' (MCA) General Circular no. 14/2020 dated 8<sup>th</sup> April, 2020, MCA General Circular no. 17/2020 dated 13<sup>th</sup> April, 2020, MCA General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, MCA General Circular No. 22/2020 dated 15<sup>th</sup> June, 2020, MCA General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 and SEBI Circulars dated 12<sup>th</sup> May, 2021 and 15<sup>th</sup> January, 2021, Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 and 10/2022 dated 28<sup>th</sup> December, 2022 and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The deemed venue for this EGM shall be the Registered Office of the Company.
3. All documents referred to in the accompanying Notice shall be open for inspection by the Members by writing an e-mail to the Company [cs.vaxtex@gmail.com](mailto:cs.vaxtex@gmail.com)
4. The Company is sending this Notice to those Members, whose names appear in the Register of Members/List of Beneficial Owners as received from the Depositories and the Company's Registrars and Transfer Agent ('RTA') as on Wednesday, 25<sup>th</sup> January, 2023 ('Cut-Off Date'). The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off Date i.e., Wednesday, 25<sup>th</sup> January, 2023.
5. Members whose e-mail addresses are registered with the Company/RTA/Depositories will receive the notice of Extra Ordinary General Meeting in electronic form.
6. Only those Members whose names are appearing in the Register of Members / List of Beneficial Owners as on the Cut-Off Date shall be eligible to cast their votes by remote e-voting. A person who is not a Member on the Cut-Off Date should treat this Notice for information purposes only.
7. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and since this EGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.** Members have to attend and participate in the ensuing EGM through VC/OAVM. However, the Body Corporates are entitled to appoint Authorised representatives to attend the EGM through VC/OAVM and participate there at and cast their votes through e-voting.

8. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the EGM through VC/OAVM. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to Email at [cs.vaxtex@gmail.com](mailto:cs.vaxtex@gmail.com) and / or at [info@accuratesecurities.com](mailto:info@accuratesecurities.com), a certified copy of the Board Resolution / authorization letter authorizing their representative to attend and vote on their behalf at EGM through E-voting.
9. The Members can join the Extra Ordinary General Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Extra Ordinary General Meeting through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Extra Ordinary General Meeting without restriction on account of first come first served basis.
10. The attendance of the Members attending the Extra Ordinary General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote E-voting to its Members in respect of the business to be transacted at the Extra Ordinary General Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote E-voting system as well as venue voting on the date of the Extra Ordinary General Meeting will be provided by NSDL.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the Extra Ordinary General Meeting has been uploaded on the website of the Company at [www.vaxtexcotfabltd.com](http://www.vaxtexcotfabltd.com). The Notice 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) respectively and the EGM Notice is also available on the website of NSDL (agency for providing the Remote E-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
13. Extra Ordinary General Meeting has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
14. The Board of Directors has appointed Mr. Gaurav Bachani (Membership No. 61110 ACS, CP No. 22830), Ahmedabad, Practising Company Secretary, as the Scrutinizer to scrutinize the remote voting and e-voting process in fair and transparent manner.

15. The Scrutinizer will submit his consolidated report to the Chairman, or any other person authorised by him, after completion of scrutiny of the votes cast, and the result of the voting will be announced by the Chairman or any other person authorized by him, on or before Friday, 3<sup>rd</sup> February 2023. The Scrutinizer’s decision on the validity of votes cast will be final.
16. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.vaxtextcotfabltd.com](http://www.vaxtextcotfabltd.com) and on the website of NSDL viz. <https://nsdl.co.in/> immediately after the result is declared by the Company and the same shall be communicated to the Stock Exchange, where the equity shares of the Company are listed viz. NSE and be made available on its website viz. [www.nseindia.com](http://www.nseindia.com).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Sunday, 29<sup>th</sup> January, 2023, at 9:00 A.M. and ends on Tuesday, 31<sup>st</sup> January, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 25<sup>th</sup> January, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 25<sup>th</sup> January, 2023.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders  | Login Method   |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. If you are already registered for <b>NSDL IDeAS facility</b> , please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” |

section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider – NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “**Register Online for IDeAS**” Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

|  |   |
|--|---|
| Individual Shareholders holding securities in demat mode with CDSL                                     | <ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.  |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| <b>Login type</b>  | <b>Helpdesk details</b>  |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <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             |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43 |

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox.



Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and who's voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to

vote, to the Scrutinizer by e-mail to [csgauravbachani@gmail.com](mailto:csgauravbachani@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to [cs.vaxtex@gmail.com](mailto:cs.vaxtex@gmail.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ([cs.vaxtex@gmail.com](mailto:cs.vaxtex@gmail.com)). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access E-voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM ARE AS UNDER:-**

1. The procedure for E-voting on the day of the EGM is same as the instructions mentioned above for remote E-voting.
2. Only those Members/ shareholders, who will be present in the EGM through VC/OAVM facility 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 in the EGM.
3. Members who have voted through Remote E-voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for E-voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. 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 the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([cs.vaxtex@gmail.com](mailto:cs.vaxtex@gmail.com)). The same will be replied by the company suitably.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

#### **Item Nos. 1 & 2:**

The Chairman informed that the Present Authorised Share Capital is Rs. 17,00,00,000/- (Rupees Seventeen Crores Only) divided into 8,50,00,000 (Eight Crores Fifty Lakhs) Equity Shares of Rs. 2/- (Rupees Two Only) each and the Issued, Subscribed and Paid-up Equity share capital is Rs. 10,03,91,630/- (Rupees Ten Crores Three Lakhs Ninety One Thousand Six Hundred and Thirty Only) divided into 5,01,95,815 (Five Crores One Lakh Ninety Five Thousand Eight Hundred and Fifteen) Equity Shares of Rs. 2/- each.

The Market price of the Company's Equity Shares has increased significantly during the last few years. In order to improve the liquidity of the Company's Equity Shares and to make these equity shares more affordable / accessible for the small retail investors to invest in the Company's shares, the Board of Directors ("hereinafter referred as Board") at its meeting held on 26<sup>th</sup> December, 2022 recommended the Sub-Division of 1 (One) Equity Share having a face value of Rs. 2/- (Rupees Two Only) each into 2 (Two) Equity Shares having face value of Re. 1/- (Rupee One Only) each for the approval of Shareholders of the Company.

Further, Article 11 of the Articles of Association permits sub-division of shares subject to the approval of Members of the Company. The Record Date for the aforesaid Sub-division of Equity Shares will be fixed by the Board of Directors of the Company after obtaining approval of Members of the Company. Pursuant to the aforesaid sub-division of Equity Shares and as per Section 13 & 61 of the Companies Act, 2013 and the rules made thereunder, it is required to alter the existing Clause V i.e. Capital clause of the Memorandum of Association of the Company.

Accordingly, the Board recommends resolutions set out in Item Nos. 1 and 2 of the Notice for approval of Shareholders in the interest of the Company.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the above resolutions, except to the extent of Equity Shares held by them in the Company.

#### **Item No. 3:**

In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI ICDR Regulations') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"), as amended from time to time, approval of shareholders of the Company by way of special resolution is required to issue securities i.e. equity shares by way of private placement on a preferential basis to the person other than Promoter/Promoter group.

Thus, the members are hereby informed that in line with the said proposal, the Board pursuant to its resolution dated 26<sup>th</sup> December 2022 has approved the proposed preferential issue of 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise Only) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise Only) per share ('Preferential Allotment Price'), aggregating to not exceeding Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off nearby zero) to the Proposed Allottee for a consideration in cash, which is not less than the floor price prescribed under Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") on a preferential basis and consequently, recommends the resolution as set out in item no. 3 above to be passed by the members by remote e-voting/voting through electronic means.

Pursuant to the above transaction, there would be no change in the management or control or would not result in transfer of ownership of the Company to the Proposed Allottees.

Necessary information/details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Companies Act, 2013 ("Act") read with the rules issued there-under, are set forth below:

1. Particulars of the offer including date of passing of Board resolution:

The Board, pursuant to its resolution dated 26<sup>th</sup> December 2022, has approved the proposed preferential issue of 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise Only) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise Only), for consideration in cash, which is not less than the floor price prescribed under Chapter V of the SEBI ICDR Regulations, on a preferential basis.

2. The Objects of the issue:

The Company proposes to raise an amount aggregating not exceeding Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off nearby zero) through the Preferential Issue. The proceeds of the preferential issue shall be utilized to meet the funding requirements for the growth in the business of the Company, general corporate purposes and the working capital requirements.

3. Kinds of securities offered and the price at which security is being offered and the total number of shares or other securities to be issued:

The Company has agreed to issue up to 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise Only) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise Only), which is not less than the floor price prescribed under Chapter V of the SEBI ICDR Regulations.

4. Basis on which the price has been arrived at:

The Company is listed on National Stock Exchange of India Limited (NSE), and the Equity Shares of the Company are frequently traded in accordance with Regulation 164 of the ICDR Regulations. Accordingly, the computation of the price per Equity share has been determined.

The Floor Price of Rs. 4.63/- is determined as per the pricing formula prescribed under SEBI ICDR Regulations for the Preferential Issue of Equity Shares and is higher of the following:

- a. 90 trading days volume weighted average price (VWAP) of the Equity Shares of the Company quoted on the NSE preceding the relevant date i.e. Rs. 4.61/- (after making adjustment of sub-division of share) per equity shares;
- b. 10 trading days volume weighted average price (VWAP) of the Equity Shares of the Company quoted on the NSE preceding the relevant date i.e. Rs. 2.90 (after making adjustment of sub-division of share) per equity shares;

In terms of Regulation 166A of SEBI ICDR Regulations, the proposed offer, issue and allotment of equity shares is more than five per cent of the post issue share capital of the Company, accordingly, the floor price per Equity Share of Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paisa) has been considered based on the above pricing formula and the valuation report from an Independent registered valuer.

5. The price or price band at/within which the allotment is proposed:

The price per Equity Share to be issued is fixed at Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paisa) which consists of Re. 1/- (Rupee One Only) as Face Value and Rs. 3.63/- (Rupees Three and Sixty Three Paisa) as premium per Equity Share. Kindly refer to the abovementioned point no. 4 for the basis of determination of the price.

6. Relevant Date with reference to which the price has been arrived at:

The "Relevant Date" as per Chapter V of the SEBI ICDR Regulations for the determination of the floor price for Equity Shares to be issued is Monday, 2<sup>nd</sup> January 2023 i.e. being the date 30 days prior to the date of EGM.

7. The pre issue and post issue shareholding pattern of the Company:

The pre issue shareholding pattern of the Company as on 31<sup>st</sup> December 2022 and the post-issue shareholding pattern (considering full allotment of shares issued on preferential basis and effect of sub-division of shares) is mentioned hereinbelow:

| Sr. No. | Description   | Pre-Issue shareholding |              | *Post issue shareholding |              |
|---------|---|------------------------|--------------|--------------------------|--------------|
|         |   | No. of shares          | % of shares  | No. of shares            | % of shares  |
| (A)     | Promoter and Promoter Group's Shareholding                                  |                        |              |                          |              |
| 1       | Indian  |                        |              |                          |              |
| (a)     | Individuals/ Hindu Undivided Family   | 4,16,728               | 0.41         | 4,16,728                 | 0.33         |
| (b)     | Central Government/ State Government(s)                                     | -                      | -            | -                        | -            |
| (c)     | Bodies Corporate  | 3,50,25,880            | 34.89        | 3,50,25,880              | 27.73        |
| (d)     | Financial Institutions/ Banks   | -                      | -            | -                        | -            |
| (e)     | Any Others (Specify)  | -                      | -            | -                        | -            |
|         | Directors Relatives   | 9,82,840               | 0.98         | 9,82,840                 | 0.78         |
|         | <b>Sub Total(A)(1)</b>  | <b>3,64,25,448</b>     | <b>36.28</b> | <b>3,64,25,448</b>       | <b>28.84</b> |
| 2       | Foreign   |                        |              |                          |              |
| A       | Individuals (Non-Residents Individuals/Foreign Individuals)                 | -                      | -            | -                        | -            |
| B       | Bodies Corporate  | -                      | -            | -                        | -            |
| C       | Institutions  | -                      | -            | -                        | -            |
| D       | Any Others (Specify)  | -                      | -            | -                        | -            |
|         | <b>Sub Total(A)(2)</b>  | <b>-</b>               | <b>-</b>     | <b>-</b>                 | <b>-</b>     |
|         | <b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b> | <b>3,64,25,448</b>     | <b>36.28</b> | <b>3,64,25,448</b>       | <b>28.84</b> |
| (B)     | Public shareholding   |                        |              |                          |              |
| 1       | Institutions  | -                      | -            | -                        | -            |
| (a)     | Mutual Funds/ UTI   | -                      | -            | -                        | -            |
| (b)     | Financial Institutions / Banks  | -                      | -            | -                        | -            |
| (c)     | Central Government/ State Government(s)                                     | -                      | -            | -                        | -            |
| (d)     | Venture Capital Funds   | -                      | -            | -                        | -            |
| (e)     | Insurance Companies   | -                      | -            | -                        | -            |
| (f)     | Foreign Portfolio Investors   | -                      | -            | -                        | -            |
| (g)     | Foreign Institutional Investors   | 34,574                 | 0.03         | 34,574                   | 0.03         |
| (h)     | Foreign Venture Capital Investors   | -                      | -            | -                        | -            |
| (i)     | Any Other-Foreign Body Corporate  | -                      | -            | -                        | -            |
|         | <b>Sub-Total (B)(1)</b>   | <b>34,574</b>          | <b>0.03</b>  | <b>34,574</b>            | <b>0.03</b>  |

|     |  |                     |               |                     |               |
|-----|--|---------------------|---------------|---------------------|---------------|
|     |  |                     |               |                     |               |
| B   | Public Shareholding  | -                   | -             | -                   | -             |
| 2   | Non-institutions   |                     |               |                     |               |
| (a) | Bodies Corporate   | 6,28,902            | 0.63          | 6,28,902            | 0.50          |
| (b) | Individuals  |                     |               |                     |               |
| I   | Individual shareholders holding nominal sharecapital up to Rs. 2 Lakh        | 5,65,91,118         | 56.37         | 5,65,91,118         | 44.80         |
| II  | Individual shareholders holding nominal sharecapital in excess of Rs. 2 Lakh | 43,47,442           | 4.33          | 3,02,65,342         | 23.96         |
| (c) | NBFCs registered with RBI  | -                   | -             | -                   | -             |
| (d) | Any Other (specify)  | -                   | -             | -                   | -             |
|     | - Non Resident Indians   | 15,58,828           | 1.55          | 15,58,828           | 1.23          |
|     | - Clearing Member  | 97,948              | 0.10          | 97,948              | 0.08          |
|     | - Trust  | -                   | -             | -                   | -             |
|     | - Hindu Undivided Family   | 7,07,370            | 0.71          | 7,07,370            | 0.56          |
|     | - LLP  | -                   | -             | -                   | -             |
|     | <b>Sub-Total (B)(2)</b>  | <b>6,39,31,608</b>  | <b>63.68</b>  | <b>8,98,49,508</b>  | <b>71.13</b>  |
| (B) | <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                          | <b>6,39,66,182</b>  | <b>63.72</b>  | <b>8,98,84,082</b>  | <b>71.16</b>  |
|     | <b>TOTAL (A)+(B)</b>   | <b>10,03,91,630</b> | <b>100.00</b> | <b>12,63,09,530</b> | <b>100.00</b> |
| (C) | Non Promoter - Non Public  | -                   | -             | -                   | -             |
| 1   | Shares held by Custodian for GDRs & ADRs                                     | -                   | -             | -                   | -             |
| 2   | Employee Benefit Trust (under SEBI (SBEB) Reg., 2014)                        | -                   | -             | -                   | -             |
|     | Sub-Total (C):   | -                   | -             | -                   | -             |
|     | <b>GRAND TOTAL (A)+(B)+(C)</b>   | <b>10,03,91,630</b> | <b>100.00</b> | <b>12,63,09,530</b> | <b>100.00</b> |

*Note:*

1. The post issue shareholding pattern in the above table has been prepared on the basis that the Proposed Allottee would have subscribed to and been allotted all the Equity Shares. In the event for any reason, the Proposed Allottee does not or are unable to subscribe to and/or are not allotted the Equity Shares, the shareholding pattern in the above table would undergo corresponding changes.
2. It is further assumed that shareholding of the Company in all other categories will remain unchanged.



3. The pre and post issued shareholding pattern is prepared after considering the effect of the sub-division of equity shares of Rs. 2/- (Rupees Two Only) into Re 1/- (Rupee One Only) each as the said resolution has been approved by the members as item no. 1 of this Notice.
4. The Company will ensure compliance with all applicable laws and regulations including the SEBI ICDR Regulations at the time of allotment of Equity Shares of the Company.

8. Name and address of valuer who performed valuation:

Considering that the allotment shall be more than 5% of the post issue fully diluted share capital of the Company, to an allottee or to allottees acting in concert, the floor price of Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paisa) of the shares to be issued and allotted to the proposed allottees has been determined taking into account the valuation report dated 2<sup>nd</sup> January 2023, issued by Mr. Amish Garg, independent registered valuer in accordance with Regulation 166A of the ICDR Regulations ("Valuation Report"). The Valuation Report shall be available for inspection by the members and the same may be accessed on the Company's website at the link: <https://vaxtextcotfabltd.com/>.

9. Amount which the Company intends to raise by way of such securities:

Up to Rs. 12,00,00,000 (Rupees Twelve Crores Only) (amounts round off nearby zero).

10. Material terms of raising such securities, proposed time schedule, principal terms of assets charged as securities, issue including terms and rate of dividend on each share, etc.

The Equity Shares are being issued on a preferential basis for a consideration in cash at an issue price of Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paisa) per share in accordance with Regulation 164 of SEBI ICDR Regulations to the Proposed Allottee.

The Equity Shares being issued shall be pari-passu with the existing Equity Shares of the Company.

Principal terms of assets charged as securities is not applicable.

11. The class or classes of persons to whom the allotment is proposed to be made:

The aforementioned allotment, if approved, is proposed to be made to Ms. Sejal Tarakbhai Agrawal under Non- Promoter Category of the Company.

12. The intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

The Equity Shares shall be offered to the Proposed Allottee only. None of the Promoters, Directors or Key Managerial Personnel of the Company intends to

subscribe to any of the Equity Shares proposed to be issued under the Preferential Allotment.

13. The proposed time within which the allotment shall be completed:

As required under the SEBI ICDR Regulations, the Company shall complete the allotment of the Equity Shares on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the Members for issue and allotment of the Equity Shares, provided that where the issue and allotment of the shares is pending on account of pendency of any approval or permission for such issue and allotment by any regulatory authority, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

14. The names of the Proposed Allottee and the percentage of post preferential offer capital that may be held by them:

The Proposed Allottee is Ms. Sejal Tarakbhai Agrawal and the Percentage of post preferential offer capital held by her is 20.52%

15. The 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.

16. The number 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:

During the year, no preferential allotment of any securities has been made to any person.

17. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable

18. Lock-in Period

The proposed allotment of the Equity Shares, shall be subject to a lock-in as per the requirements of ICDR Regulations i.e. six (6) months from the date of trading approval. However, in addition to the lock-in period prescribed under ICDR Regulations, the said Equity Shares shall along with any further issuance of shares such as Bonus Shares, which may arise in future, shall be locked in for a further period as may be mutually agreed upon by the Company and the Proposed Allottee.

19. Listing:

The Company will make an application to the Stock Exchange at which the existing shares are listed, for listing of the aforementioned Equity Shares.

The above shares, once allotted, shall rank pari passu with the then existing equity shares of the Company in all respects.

20. The name of the Proposed Allottee, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the Proposed Allottee:

Not applicable as the proposed allottees is natural person and also beneficial owner.

21. The percentage of post preferential issue capital that may be held by the allottee and change in control, if any, in the issuer consequent to the preferential issue:

The percentage of post preferential issue capital that may be held by the Proposed Allottee and change in control, if any in the Company consequent to the preferential issue is as below:

| Sr. No. | Proposed Allottee subscribing to the Shares | Category     | Natural persons who are the ultimate beneficial owners | Pre-Issue shareholding |                   | No. of Shares to be allotted | *Post issue shareholding |                   |
|---------|---|--------------|--|------------------------|-------------------|------------------------------|--------------------------|-------------------|
|         |   |              |  | No. of Shares          | % of Shareholding |                              | No. of Shares            | % of Shareholding |
| (1)     | Ms. Sejal Tarakbhai Agrawal                 | Non-Promoter | Not Applicable   | 0.00                   | 0.00              | 25917900                     | 25917900                 | 20.52%            |

\* considered only after allotment of equity shares in cash

There is no change in the management or control of the Company pursuant to the aforesaid issue and allotment of the Equity Shares.

22. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:

The Current and proposed status of the Proposed Allottee post the preferential issue is "Non-Promoter".

23. Practicing Company Secretary's Certificate:

A certificate from Mr. Jatinbhai Harishbhai Kapadia, Practicing Company Secretary, certifying that the issue of Equity Shares is being made in accordance with requirements of ICDR Regulations and is available for inspection at the General Meeting of the members. The same is also available at the website of the Company at <https://vaxtextcotfabltd.com/>

24. Undertaking:

- a. Neither the Company, nor any of its directors and/or Promoters have been declared as willful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- b. Neither the Company nor any of its directors and/or Promoters are a fugitive economic offender as defined under the SEBI ICDR Regulations.
- c. The Company is in compliance with the conditions for continuous listing and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- d. The Proposed Allottee has confirmed that it has not sold any equity shares of the Company during the 90 Trading Days preceding the Relevant Date.
- e. The Company shall re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations if it is required to do so, including pursuant to Regulation 166 of the SEBI ICDR Regulations, if required. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid.\*

\*Since the Company's Equity Shares are listed on recognized Stock Exchanges for a period of more than 90 Trading days prior to the Relevant Date, the Company is neither required to re-compute the price nor is required to submit an undertaking as specified under applicable provisions of SEBI ICDR Regulations.

The approval of the Members is being sought to enable the Board to issue and allot the Equity Shares on a preferential basis, to the extent and in the manner as set out in the resolution and the explanatory statement.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are deemed to be concerned or interested, financially or other-wise in the said resolution except to the extent of their shareholding in the Company, if any.

The Board, accordingly, recommends passing of the Special Resolution as set out in Item No.3 of this Notice, for the approval of the Members.

**Item No. 4:**

In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI ICDR Regulations') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"), as amended from time to time, approval of shareholders of the Company by way of special resolution is required to issue securities i.e. equity shares by way of private placement on a preferential basis to the person other than Promoter/

Promoter group.

Thus, the members are hereby informed that in line with the said proposal, the Board pursuant to its resolution dated 26<sup>th</sup> December 2022 has approved the proposed preferential issue of 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise Only) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise Only) per share ('Preferential Allotment Price'), aggregating to not exceeding Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off nearby zero) to the Proposed Allottee for a consideration other than cash, which is not less than the floor price prescribed under Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") on a preferential basis and consequently, recommends the resolution as set out in item no. 4 above to be passed by the members by remote e-voting/voting through electronic means.

Pursuant to the above transaction, there would be no change in the management or control or would not result in transfer of ownership of the Company to the Proposed Allottees.

Necessary information/details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Companies Act, 2013 ("Act") read with the rules issued there-under, are set forth below:

1. Particulars of the offer including date of passing of Board resolution:

The Board, pursuant to its resolution dated 26<sup>th</sup> December 2022, has approved the proposed preferential issue of 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise Only) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise Only), for consideration other than cash, which is not less than the floor price prescribed under Chapter V of the SEBI ICDR Regulations, on a preferential basis.

2. The Objects of the issue:

The Company has proposed settlement and agreed to discharge its liability viz. trade payable for Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off nearby zero) as per MOU with the Proposed Allottee for consideration other than cash settled by allotment of Equity Shares of the Company as mentioned in resolution at Item No. 4 in this notice and explanatory statement, subject to SEBI ICDR Regulations and requisite approvals from stock exchanges and any other regulatory approvals, as may be applicable.

3. Kinds of securities offered and the price at which security is being offered and the total number of shares or other securities to be issued:

The Company has agreed to issue up to 2,59,17,900 (Two Crores Fifty-Nine Lakhs Seventeen Thousand Nine Hundred) fully paid up Equity Shares of the Company having a Face Value of Re. 1/- (Rupee One Only) each at a price of Rs. 4.63/- (Rupees Four and Sixty-Three Paise Only) per Equity Share (including a premium of Rs. 3.63/- (Rupees Three and Sixty-Three Paise Only) which is not less than the floor price prescribed under Chapter V of the SEBI ICDR Regulations.

4. Basis on which the price has been arrived at:

The Company is listed on National Stock Exchange of India Limited (NSE), and the Equity Shares of the Company are frequently traded in accordance with Regulation 164 of the ICDR Regulations. Accordingly, the computation of the price per Equity share has been determined.

The Floor Price of Rs. 4.63/- (after make adjustment of sub-division of share) is determined as per the pricing formula prescribed under SEBI ICDR Regulations for the Preferential Issue of Equity Shares and is higher of the following:

- a. 90 trading days volume weighted average price(VWAP) of the Equity Shares of the Company quoted on the NSE preceding the relevant date i.e. Rs. 4.61/- (after make adjustment of sub-division of share) per equity shares;
- b. 10 trading days volume weighted average price (VWAP) of the Equity Shares of the Company quoted on the NSE preceding the relevant date i.e. Rs. 2.90 per equity shares;

In terms of Regulation 163(3) of SEBI ICDR Regulations, the proposed offer, issue and allotment of equity shares shall be made to proposed allottee for consideration other than Cash, accordingly, the floor price per Equity Share of Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paise) has been considered based on the above pricing formula and the valuation report from an Independent registered valuer.

5. The price or price band at/within which the allotment is proposed:

The price per Equity Share to be issued is fixed at Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paise) which consists of Re. 1/- (Rupee One Only) as Face Value and Rs. 3.63/- (Rupees Three and Sixty Three Paise) as premium per Equity Share. Kindly refer to the abovementioned point no. 4 for the basis of determination of the price.

6. Relevant Date with reference to which the price has been arrived at:

The "Relevant Date" as per Chapter V of the SEBI ICDR Regulations for the determination of the floor price for Equity Shares to be issued is Monday, 2<sup>nd</sup> January 2023 i.e. being the date 30 days prior to the date of EGM.

7. The pre issue and post issue shareholding pattern of the Company:

The pre issue shareholding pattern of the Company as on 31<sup>st</sup> December 2022 and the post-issue shareholding pattern (considering full allotment of shares issued on preferential basis and effect of sub-division of shares) is mentioned hereinbelow:

| Sr. No. | Description   | Pre-Issue shareholding |              | *Post issue shareholding |              |
|---------|---|------------------------|--------------|--------------------------|--------------|
|         |   | No. of shares          | % of shares  | No. of shares            | % of shares  |
| (A)     | Promoter and Promoter Group's Shareholding                                  |                        |              |                          |              |
| 1       | Indian  |                        |              |                          |              |
| (a)     | Individuals/ Hindu Undivided Family   | 4,16,728               | 0.33         | 4,16,728                 | 0.27         |
| (b)     | Central Government/ State Government(s)                                     | -                      | -            | -                        | -            |
| (c)     | Bodies Corporate  | 3,50,25,880            | 27.73        | 3,50,25,880              | 23.01        |
| (d)     | Financial Institutions/ Banks   | -                      | -            | -                        | -            |
| (e)     | Any Others (Specify)  |                        |              |                          |              |
|         | Directors Relatives   | 9,82,840               | 0.78         | 9,82,840                 | 0.65         |
|         | <b>Sub Total(A)(1)</b>  | <b>3,64,25,448</b>     | <b>28.84</b> | <b>3,64,25,448</b>       | <b>23.93</b> |
| 2       | Foreign   |                        |              |                          |              |
| A       | Individuals (Non-Residents Individuals/Foreign Individuals)                 | -                      | -            | -                        | -            |
| B       | Bodies Corporate  | -                      | -            | -                        | -            |
| C       | Institutions  | -                      | -            | -                        | -            |
| D       | Any Others (Specify)  | -                      | -            | -                        | -            |
|         | Sub Total(A)(2)   | -                      | -            | -                        | -            |
|         | <b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b> | <b>3,64,25,448</b>     | <b>28.84</b> | <b>3,64,25,448</b>       | <b>23.93</b> |
| (B)     | Public shareholding   |                        |              |                          |              |
| 1       | Institutions  |                        |              |                          |              |
| (a)     | Mutual Funds/ UTI   | -                      | -            | -                        | -            |
| (b)     | Financial Institutions / Banks  | 34,574                 | 0.03         | 34,574                   | 0.02         |
| (c)     | Central Government/ State Government(s)                                     | -                      | -            | -                        | -            |
| (d)     | Venture Capital Funds   | -                      | -            | -                        | -            |
| (e)     | Insurance Companies   | -                      | -            | -                        | -            |
| (f)     | Foreign Portfolio Investors   | -                      | -            | -                        | -            |

|     |   |                     |               |                     |               |
|-----|---|---------------------|---------------|---------------------|---------------|
| (g) | Foreign Institutional Investors   | -                   | -             | -                   | -             |
| (h) | Foreign Venture Capital Investors   | -                   | -             | -                   | -             |
| (i) | Any Other-Foreign Body Corporate  | -                   | -             | -                   | -             |
|     | <b>Sub-Total (B)(1)</b>   | <b>34,574</b>       | <b>0.03</b>   | <b>34,574</b>       | <b>0.02</b>   |
| B2  | Promoter and Promoter Group's Shareholding                                    |                     |               |                     |               |
| (a) | Bodies Corporate  | 6,28,902            | 0.50          | 2,65,46,802         | 17.44         |
| (b) | Individuals   |                     |               |                     |               |
| I   | Individual shareholders holding nominal share capital up to Rs. 2 Lakh        | 5,65,91,118         | 44.80         | 5,65,91,118         | 37.18         |
| II  | Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh | 3,02,65,342         | 23.96         | 3,02,65,342         | 19.88         |
| (c) | NBFCs registered with RBI   | -                   | -             | -                   | -             |
| (d) | Any Other (specify)   |                     |               |                     |               |
|     | - Non Resident Indians  | 15,58,828           | 1.23          | 15,58,828           | 1.02          |
|     | - Clearing Member   | 97,948              | 0.08          | 97,948              | 0.06          |
|     | - Trust   | -                   | -             | -                   | -             |
|     | - Hindu Undivided Family  | 7,07,370            | 0.56          | 7,07,370            | 0.46          |
|     | - LLP   | -                   | -             | -                   | -             |
|     | <b>Sub-Total (B)(2)</b>   | <b>8,98,49,508</b>  | <b>71.13</b>  | <b>11,57,67,407</b> | <b>76.05</b>  |
| (B) | <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                           | <b>8,98,84,082</b>  | <b>71.16</b>  | <b>11,58,01,981</b> | <b>76.07</b>  |
|     | <b>TOTAL (A)+(B)</b>  | <b>12,63,09,530</b> | <b>100.00</b> | <b>15,22,27,429</b> | <b>100.00</b> |
| (C) | Non Promoter - Non Public   |                     |               |                     |               |
| 1   | Shares held by Custodian for GDRs & ADRs                                      | -                   | -             | -                   | -             |
| 2   | Employee Benefit Trust (under SEBI (SBEB) Reg., 2014)                         | -                   | -             | -                   | -             |
|     | <b>Sub-Total (C):</b>   | <b>-</b>            | <b>-</b>      | <b>-</b>            | <b>-</b>      |
|     | <b>GRAND TOTAL (A)+(B)+(C)</b>  | <b>12,63,09,530</b> | <b>100.00</b> | <b>15,22,27,429</b> | <b>100.00</b> |

Note:

1. The post issue shareholding pattern in the above table has been prepared on the basis that the Proposed Allottee (Cash and Other than Cash Preferential Allotment proposed in this meeting on fully dilution basis) would have subscribed to and been allotted all the Equity Shares. In the event for any reason, the Proposed Allottee does



- not or are unable to subscribe to and/or are not allotted the Equity Shares, the shareholding pattern in the above table would undergo corresponding changes.
2. The pre issue shareholding pattern in the above table has been prepared on the basis that the Proposed Allottee (Cash Preferential Allotment proposed in this meeting on fully dilution basis) would have subscribed to and been allotted all the Equity Shares. In the event for any reason, the Proposed Allottee does not or are unable to subscribe to and/or are not allotted the Equity Shares, the shareholding pattern in the above table would undergo corresponding changes.
  3. It is further assumed that shareholding of the Company in all other categories will remain unchanged.
  4. The pre and post issued shareholding pattern is prepared after considering the effect of Split of equity shares of Rs. 2/- (Rupees Two Only) into Re 1/- (Rupee One Only) each as the said resolution has been approved by the members as item no. 1 of this Notice.
  5. The Company will ensure compliance with all applicable laws and regulations including the SEBI ICDR Regulations at the time of allotment of Equity Shares of the Company.

8. Name and address of valuer who performed valuation:

The proposed preferential issue is to be made to the proposed allottee for the Consideration other than Cash. Further, considering that the allotment shall be more than 5% of the post issue fully diluted share capital of the Company, to an allottee or to allottees acting in concert, the floor price of Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paisa) of the shares to be issued and allotted to the proposed allottees has been determined taking into account the valuation report dated 6<sup>th</sup> January 2023, issued by Mr. Amish Garg, independent registered valuer in accordance with Regulation 166A of the ICDR Regulations ("Valuation Report"). The Valuation Report shall be available for inspection by the members and the same may be accessed on the Company's website at the link: <https://vaxtextcotfabltd.com/>.

9. Amount which the Company intends to raise by way of such securities:

The shares are being allotted for a consideration other than cash as part of the consideration payable for the acquisition as mentioned above.

10. Material terms of raising such securities, proposed time schedule, principal terms of assets charged as securities, issue including terms and rate of dividend on each share, etc.

The Equity Shares are being issued on a preferential basis for a consideration other than cash at an issue price of Rs. 4.63/- (after make adjustment of sub-division of share) (Rupees Four and Sixty-Three Paisa) per share in accordance with Chapter V of SEBI ICDR Regulations to the Proposed Allottee.

The Equity Shares being issued shall be pari-passu with the existing Equity Shares of the Company.

Principal terms of assets charged as securities is not applicable.

11. The class or classes of persons to whom the allotment is proposed to be made:

The aforementioned allotment, if approved, is proposed to be made to Vaxfab Enterprises Limited (Formerly known as Ellora Trading Limited) under Non-Promoter Category of the Company.

12. Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

The Equity Shares shall be offered to the Proposed Allottee only. None of the Promoters, Directors or Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the Preferential Allotment.

13. The proposed time within which the allotment shall be completed:

As required under the SEBI ICDR Regulations, the Company shall complete the allotment of the Equity Shares on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the Members for issue and allotment of the Equity Shares, provided that where the issue and allotment of the shares is pending on account of pendency of any approval or permission for such issue and allotment by any regulatory authority, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

14. The names of the Proposed Allottee and the percentage of post preferential offer capital that may be held by them:

The Proposed Allottee is Vaxfab Enterprises Limited (Formerly known as Ellora Trading Limited) and the Percentage of post preferential offer capital held by it is 17.03% (Considered share allotted under cash as well as other than cash fully dilution basis)

15. The 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.

16. The number 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:

During the year, no preferential allotment of any securities has been made to any person.

17. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

The Company has proposed settlement and agreed to discharge its liability viz. trade payable for Rs. 12,00,00,000/- (Rupees Twelve Crores Only) (amounts round off

nearby zero) as per MOU with the Proposed Allottee for consideration other than cash settled by allotment of Equity Shares of the Company as mentioned in resolution at Item No. 4 in this notice and explanatory statement, subject to SEBI ICDR Regulations and requisite approvals from stock exchanges and any other regulatory approvals, as may be applicable.

The valuation of the swap of share is based on the independent valuation report dated 6<sup>th</sup> January 2023 received from Mr Amish Garg, a Registered Valuer in compliance with Regulation 163(3) of the SEBI (ICDR) Regulations.

18. Lock-in Period

The proposed allotment of the Equity Shares, shall be subject to a lock-in as per the requirements of ICDR Regulations i.e. six (6) months from the date of trading approval. However, in addition to the lock-in period prescribed under ICDR Regulations, the said Equity Shares shall along with any further issuance of shares such as Bonus Shares, which may arise in future, shall be locked in for a further period as may be mutually agreed upon by the Company and the Proposed Allottee.

19. Listing:

The Company will make an application to the Stock Exchange at which the existing shares are listed, for listing of the aforementioned Equity Shares.

The above shares, once allotted, shall rank pari passu with the then existing equity shares of the Company in all respects.

20. The name of the Proposed Allottee, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the Proposed Allottee:

The name of the Proposed Allottee is Vaxfab Enterprises Limited (Formerly known as Ellora Trading Limited). Being Listed entity ultimate beneficial ownership disclosure is not applicable.

21. The percentage of post preferential issue capital that may be held by the allottee and change in control, if any, in the issuer consequent to the preferential issue:

The percentage of post preferential issue capital that may be held by the Proposed Allottee and change in control, if any in the Company consequent to the preferential issue is as below:

| Sr. No. | Proposed Allottee subscribing to the Shares                           | Category     | Natural persons who are the ultimate beneficial owners | Pre-Issue shareholding |                   | No. of Shares to be allotted | Post issue shareholding |                   |
|---------|---|--------------|--|------------------------|-------------------|------------------------------|-------------------------|-------------------|
|         |   |              |  | No. of Shares          | % of Shareholding |                              | No. of Shares           | % of Shareholding |
| (1)     | Vaxfab Enterprises Limited (Formerly known as Ellora Trading Limited) | Non-Promoter | Not Applicable   | 0.00                   | 0.00              | 25917900                     | 25917900                | 17.03*            |

\* Considered allotment of Cash and Other than cash envisaged in this notice fully dilution basis

Further, there is no change in the management or control of the Company pursuant to the aforesaid issue and allotment of the Equity Shares.

22. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:

The Current and proposed status of the Proposed Allottee post the preferential issue is "Non-Promoter".

23. Practicing Company Secretary's Certificate:

A certificate from Mr. Jatinbhai Harishbhai Kapadia, Practicing Company Secretary, certifying that the issue of Equity Shares is being made in accordance with requirements of ICDR Regulations is available for inspection at the General Meeting of the members. The same is also available at the website of the Company at <https://vaxtextcotfabltd.com/>

24. Undertaking:

- Neither the Company, nor any of its directors and/or Promoters have been declared as willful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- Neither the Company nor any of its directors and/or Promoters are a fugitive economic offender as defined under the SEBI ICDR Regulations.
- The Company is in compliance with the conditions for continuous listing and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- The Proposed Allottee has confirmed that it has not sold any equity shares of the Company during the 90 Trading Days preceding the Relevant Date.

- e. The Company shall re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations if it is required to do so, including pursuant to Regulation 166 of the SEBI ICDR Regulations, if required. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid.\*

\*Since the Company's Equity Shares are listed on recognized Stock Exchanges for a period of more than 90 Trading days prior to the Relevant Date, the Company is neither required to re-compute the price nor is required to submit an undertaking as specified under applicable provisions of SEBI ICDR Regulations.

The approval of the Members is being sought to enable the Board to issue and allot the Equity Shares on a preferential basis, to the extent and in the manner as set out in the resolution and the explanatory statement.

MOU executed by the Company and proposed share holder are available for inspection during the business hours up to date of EGM as well as during the EGM.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are deemed to be concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

The Board, accordingly, recommends passing of the Special Resolution as set out in Item No.4 of this Notice, for the approval of the Members.

**Item No. 5 & 6:**

The Company has received letter ("request letter") dated 20<sup>th</sup> December, 2022 by the "Outgoing Persons" which are also members of the Promoter / Promoter Group of the Company, requesting for reclassification of their status from "Promoter / Promoter Group" Category to "Public" Category as per Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") or as amended from time to time. Their current holding is given below:

| <b>Sr. No.</b> | <b>Name of the Outgoing Person</b> | <b>No. of Equity Shares held</b> | <b>(%) Percentage of Shareholding / Voting Rights</b> |
|----------------|------------------------------------|----------------------------------|---|
| 1.             | Kresha Kailash Gupta               | 30955                            | 0.06  |
| 2.             | Sanjaykumar P. Agrawal             | 91510                            | 0.18  |

Vide Request Letter, the Outgoing Persons have informed that they are not directly or indirectly, associated with the business of the Company and do not have any influence over the business and policy decisions made by the Company and they are not involved in the day to day activities of the Company nor they are exercising any control over the affairs of the Company. Further, the Outgoing Persons have confirmed that they along with the person related to them (as defined under clause (pp) of Regulation 2 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018);

- I. do not, together, hold more than 10% (ten percent) of the total voting rights in the Company;
- II. do not exercise control over the affairs of the Company directly or indirectly;

- III. do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- IV. are not represented on the board of directors of the Company (including through nominee director);
- V. are not acting as a Key Managerial Person in the Company;
- VI. are not 'wilful defaulters' as per the Reserve Bank of India Guidelines and
- VII. are not fugitive economic offenders.

Further, the Outgoing Persons have confirmed that subsequent to their reclassification, they will continue to comply with the provisions of Regulation 31A(4) of the Listing Regulations.

At their meeting held on 26<sup>th</sup> December, 2022, the Board of Directors of the Company noted that –

- A. The Company is in compliance with requirements of minimum public shareholding as required under Regulation 38 of the Listing Regulations;
- B. The trading in equity shares of the Company have not been suspended by the stock exchanges where equity shares of the Company are listed;
- C. The Company does not have outstanding dues to the SEBI, stock exchanges and depositories.

And after considering the confirmation and undertaking given in the Request Letter with respect to compliance with Regulation 31A of the Listing Regulations, accepted and approved the request received from Outgoing Persons for reclassifying their status as Public. Subsequent to the reclassification of the Outgoing Persons as mentioned in proposed Item Nos. 5 & 6, the shareholding of the Promoter and Promoter Group of the Company will be 35.81%.\*

*\*The shareholding percentage of the Promoter and Promoter Group mentioned is before allotment of Equity Shares on Preferential basis.*

In accordance with Regulation 31A of the Listing Regulations, the reclassification of status of a shareholder from 'promoter / promoter group' category to 'public' category, *inter alia*, requires approval of shareholders of the Company by way of an ordinary resolution and also the approval of the Stock Exchange i.e. National Stock Exchange of India Limited ("NSE"), where the equity shares of the Company are listed.

In accordance with the Listing Regulations, none of the Directors, Key managerial personal and relatives thereof has any concern or interest, financial or otherwise, in the resolution at Item Nos. 5 & 6 of this notice.

Accordingly, the Board recommends the resolutions proposed in the Notice for the approval of Members by way of an Ordinary Resolution.

**Registered Office:**

Survey No. 230, Opp. Mariya Park,  
B/h. Ranipur Village,  
Saijpur - Gopal, Narol,  
Ahmedabad – 382 405,

**Date:** 7<sup>th</sup> January 2023

**Place:** Ahmedabad

**By order of the Board  
For, Vaxtex Cotfab Limited**

**Sd/-  
Mithileshkumar Agrawal  
Managing Director  
DIN: 03468643**