



NACL Industries Limited

(CIN: L24219TG1986PLC016607)

Registered Office: Plot No.12-A, "C" Block, Lakshmi Towers, No.8-2-248/1/7/78, Nagarjuna Hills, Panjagutta, Hyderabad-500082, Telangana State, India

Phone: 040-24405100; e-mail: investors@naclind.com; Website: www.naclind.com

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting ('EGM') of the Members of M/s. NACL Industries Limited will be held on **Thursday, January 09, 2025 at 10.00 a.m. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

Special Business:

ITEM NO.1: ISSUANCE OF WARRANTS CONVERTIBLE INTO EQUITY SHARES TO A PROMOTER ON A PREFERENTIAL BASIS:

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

"RESOLVED THAT pursuant to the provisions of Section 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other relevant rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) (the "Act") and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended ("SEBI SAST"), the Foreign Exchange Management Act, 1999, as amended and the rules, regulations, notifications and circulars issued thereunder and the Consolidated FDI Policy (the "Foreign Exchange Regulations"), as amended ("FEMA") and any other law, rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Parliament, the Government of India ("GoI"), the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") and the Stock Exchanges where the shares of the Company are listed ("Stock Exchanges") and subject to such approvals, consents, permissions and sanctions as may be necessary or required from any statutory, regulatory or other appropriate authorities, including but not limited to SEBI, GoI, Stock Exchanges and RBI and subject to such conditions and modifications as might be prescribed while granting such approval, consents, permissions and sanctions and which terms may be agreed to by the Board of Directors of the Company (the "Board", which terms shall be deemed to include any committee duly constituted by the Board or any Committee, which the Board may hereafter constitute, to exercise one or more of its powers, including the powers conferred hereunder), consent of the Members of the Company be and is hereby accorded to the Board of Directors to create, offer, issue, and allot 68,96,550 (Sixty-Eight Lakhs Ninety-Six Thousand Five Hundred and Fifty) Warrants, each convertible into or exchangeable for 1 (one) fully paid-up equity share of the Company of face value Re. 1/- (Rupee One) each ("Warrant/Warrants") at an issue price of ₹58/- (Rupees Fifty-Eight only) per underlying equity share, including a premium of ₹57/- (Rupees Fifty-Seven only), which price is determined in accordance with the provisions of SEBI ICDR, aggregating to ₹39,99,99,900/- (Rupees Thirty-Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred only), on a preferential basis ("Issue"), to Mrs. K. Lakshmi Raju, a Promoter (as defined under SEBI ICDR) ("Proposed Allottee"), for cash consideration and be in such form, manner, and terms as may be deemed appropriate by the Board in its absolute discretion, subject to applicable laws and regulations, without requiring any further approval or consent from the Members.

For NACL Industries Limited



RESOLVED FURTHER THAT the resultant Equity Shares to be allotted on conversion of the Warrants in terms of this Resolution, shall rank pari-passu in all respects with the existing Equity Shares of the Company and be subject to the requirements of all applicable laws and the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, in its discretion.

RESOLVED FURTHER THAT the aforesaid Preferential Issue of the Warrants and allotment of Equity Shares on exercise of the Warrants, shall be subject to the following terms and conditions, apart from others as detailed in the Explanatory Statement to this Notice and as prescribed under applicable laws:

- i) The Warrants holder shall, subject the SEBI ICDR and other applicable rules and regulation, be entitled to apply for and be allotted 1(one) equity share against each Warrant;
- ii) The 'Relevant Date' in relation to this preferential issue of the Warrants as per the provision of Regulation 161 of SEBI ICDR, would be Tuesday, the December 10, 2024, which is 30 days prior to the date of EGM;
- iii) In accordance with the provisions of Chapter V of the SEBI ICDR, at least 25% (Twenty Five Percent) of the consideration payable against the Warrants, shall be paid by the proposed Allottee to the Company on or before the date of allotment of the Warrants and the balance consideration i.e. 75% (Seventy Five Percent) shall be paid at the time of allotment of Equity shares pursuant to exercise of option of conversion against each such Warrant;
- iv) In accordance with the provision of Regulation 167 of the SEBI ICDR, the pre-preferential allotment shareholding of Proposed Allottee shall be locked-in for a period mentioned therein;
- v) The consideration for allotment of Warrants and/or Equity shares arising out of the exercise of such Warrants shall be paid to the Company from the Bank account of the proposed Allottee;
- vi) The tenure of Warrants shall not exceed maximum of 18 (eighteen) months from the date of allotment of the Warrants;
- vii) The Warrant Holder(s) shall have the right to exercise the option to convert any or all of the Warrants, in one or more tranches, by providing a written notice to the Company specifying the number of Warrants proposed to be converted. Such notice shall be accompanied by payment of the aggregate amount due thereon, either prior to or at the time of conversion. Upon receipt of the notice and payment, the Company shall issue and allot the corresponding number of Equity Shares to the Warrant Holder(s) in the ratio of one Equity Share for each Warrant, without requiring any further approval from the Shareholders of the Company;
- viii) If the entitlement to apply for Equity Shares against the Warrants is not exercised within the maximum period of 18 months, the Warrant Holder's right to apply for Equity Shares of the Company, along with all associated rights, shall lapse, and any amount paid on such Warrants shall be forfeited automatically.
- ix) The Warrants, by itself, until exercise of conversion option and Equity shares allotted, does not give to the Warrant Holder(s) thereof any rights with respect to that of a Shareholder(s) of the Company,
- x) Upon the Warrant Holder(s) exercising the option of conversion of any or all of the Warrants, the Company shall issue and allot the corresponding number of fully paid Equity Shares of a face value of ₹1/- (Rupee One) each, exclusively in dematerialized form and perform all necessary actions to give effect to such issuance and allotment, including, but not limited to, providing evidence of the credit of the Equity Shares to the designated demat account of the Warrant Holder(s), in compliance with the provisions of Regulation 162(2) of SEBI ICDR;
- xi) The Warrants shall be issued and allotted by the Company to the Proposed Allottee within a period of 15 (fifteen) days from the date of passing this resolution, provided that where the allotment of the said Warrants is pending on account of pendency of any approvals for such allotment by any regulatory



authority including Stock Exchange(s) the allotment shall be completed within a period of 15 (fifteen) days from the date of such approvals;

xii) The Equity Shares allotted upon conversion of the Warrants shall be listed and traded on the Stock Exchanges, viz., BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), where the existing Equity Shares of the Company are listed, subject to the receipt of necessary permissions and approvals, as applicable. Such Equity Shares shall rank pari-passu with the existing Equity Shares of the Company in all respects, including dividend;

xiii) The Warrants and the Equity Shares allotted upon conversion of Warrants shall be subject to lock-in as per the provisions of Regulation 167 of the SEBI ICDR;

RESOLVED FURTHER THAT pursuant to the provisions of the Act and subject to the receipt of such approvals as may be required under the applicable laws, the Board be and is hereby authorized 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, inviting Her to subscribe to the Warrants immediately after the passing of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company or any person(s) authorized by the Board, be and is hereby authorized to do all such acts, deeds, matters, and things as it may in its absolute discretion deem necessary, desirable, or expedient for the issue or allotment of the Warrants and, upon conversion of the Warrants into Equity Shares, the listing of the said Equity Shares with the Stock Exchanges, including but not limited to, making applications to the Stock Exchanges for obtaining in-principle approvals, filing requisite documents with regulatory authorities such as the Ministry of Corporate Affairs (MCA), SEBI, RBI, and Stock Exchanges; appointing agencies, intermediaries, and professional advisors; modifying or finalizing the terms of the issue; to resolve and settle any questions or difficulties that may arise in connection with the proposed issue, offer, allotment of the Warrants and Equity Shares upon conversion of such Warrants; the utilization of issue proceeds; signing all necessary documents and undertakings, and any documents executed, delivered, or acts done or caused to be done shall be conclusive evidence of the authority of the Company in so doing, and any actions undertaken prior to the date of this resolution are hereby ratified, confirmed, and approved as the acts and deeds of the Company, with the Board being authorized to do all such acts, deeds, matters, and things in connection therewith and incidental thereto, and to ratify, confirm, and approve all acts and deeds undertaken prior to the date of this resolution, with the decision of the Board being final and conclusive in all matters, without requiring any further consent or approval of the shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Director or Company Secretary or any other Executive(s) of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue."

ITEM NO.2: ISSUANCE OF EQUITY SHARES TO A PERSON BELONGING TO THE NON-PROMOTER CATEGORY ON A PREFERENTIAL BASIS:

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

"RESOLVED THAT pursuant to the provisions of Section 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other relevant rules made thereunder (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) (the "Act") and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended ("SEBI SAST"), the Foreign Exchange Management Act, 1999, as amended and the rules, regulations, notifications and circulars issued thereunder



and the Consolidated FDI Policy (the "Foreign Exchange Regulations"), as amended ("FEMA") and any other law, rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Parliament, the Government of India ("GoI"), the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") and the Stock Exchanges where the shares of the Company are listed ("Stock Exchanges") and subject to such approvals, consents, permissions and sanctions as may be necessary or required from any statutory, regulatory or other appropriate authorities, including but not limited to SEBI, GoI, Stock Exchanges and RBI and subject to such conditions and modifications as might be prescribed while granting such approval, consents, permissions and sanctions and which terms may be agreed to by the Board of Directors of the Company (the "Board", which terms shall be deemed to include any Committee duly constituted by the Board or any Committee, which the Board may hereafter constitute, to exercise one or more of its powers, including the powers conferred hereunder), the consent of the Members of the Company be and is hereby accorded to the Board to issue, offer, and allot on a preferential basis, 17,24,137 (Seventeen Lakh Twenty Four Thousand One Hundred and Thirty Seven Only) fully paid-up Equity Shares of face value of ₹1/- (Rupee One Only) each, at an issue price of ₹58/- (Rupees Fifty Eight Only) per Equity Share (including a premium of ₹57/- per share), as determined in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR"), for an aggregate consideration of ₹9,99,99,946/- (Rupees Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Forty Six Only), on such terms and conditions as may be finalized by the Board of Directors, to the person belonging to the Non-Promoter Category as mentioned below ("Proposed Allottee"), for cash consideration and in such form, manner, and terms as may be deemed appropriate by the Board in its absolute discretion, subject to applicable laws and regulations, without requiring any further approval or consent from the Members:

Name of Proposed Allottee	Status	Number of equity shares proposed to be allotted
Equity Intelligence India Private Limited	Body Corporate	17,24,137

RESOLVED FURTHER THAT the Equity Shares proposed to be so allotted shall rank pari-passu in all respects including as to dividend, with the existing fully paid-up Equity Shares of face value of Rs. 1/- (Rupees One Only) each of the Company, subject to the requirement of all applicable laws and the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, in its discretion.

RESOLVED FURTHER THAT the aforesaid preferential issue of Equity Shares shall be subject to the following terms and conditions, apart from others as detailed in the Explanatory Statement to this Notice and as prescribed under applicable laws:

- The 'Relevant Date' in relation to this preferential issue of Equity Shares as per the provision of Regulation 161 of SEBI ICDR, would be Tuesday, the December 10, 2024, which is 30 days prior to the date of EGM;
- The pre-preferential shareholding of the Proposed Allottee, if any and equity shares to be allotted shall be under lock-in for such period as may be prescribed under Chapter V of the SEBI ICDR;
- The Proposed Allottee of equity shares shall be required to bring in 100% of the consideration, for the equity shares to be allotted, on or prior to the date of allotment thereof;
- The consideration for allotment of relevant Equity Shares shall be paid to the Company by the Proposed Allottee from its bank account;
- The money received by the Company from the Proposed Allottee for the application for allotment of Equity Shares pursuant to this preferential issue shall be kept by the Company in a separate bank account, as required under applicable laws;



- vi) Allotment of equity shares shall only be made in dematerialized form within a period of 15 (fifteen) days from the date of passing of the special resolution by the members of the Company for their issuance, provided that where the allotment of equity shares is subject to receipt of any approval or permission from any regulatory authority including the approval of Stock Exchanges, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approval, or permission;
- vii) The preferential issue to the Proposed Allottee shall not result in a change in control or allotment of more than 5% of the post issue fully diluted share capital of the Company;
- viii) The Equity Shares after allotment shall be listed and traded on the Stock Exchanges, viz., BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), where the existing Equity Shares of the Company are listed, subject to the receipt of necessary permissions and approvals, as applicable. Such Equity Shares shall rank pari-passu with the existing Equity Shares of the Company in all respects, including dividend;
- ix) The Equity Shares so allotted to the Proposed Allottee under this resolution shall be subject to a lock-in period as prescribed under Regulation 167 of the SEBI ICDR and during this lock-in period, such Equity Shares shall not be sold, transferred, hypothecated, or otherwise encumbered in any manner, except to the extent and in the manner permitted under the said SEBI ICDR;

RESOLVED FURTHER THAT pursuant to the provisions of the Act and subject to the receipt of such approvals as may be required under the applicable laws, the Board be and is hereby authorized 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, inviting it to subscribe to the Equity Shares immediately after the passing of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company or any person(s) authorized by the Board, be and is hereby authorized to do all such acts, deeds, matters, and things as it may in its absolute discretion deem necessary, desirable, or expedient for the issue or allotment of the Equity Shares, the listing of the said Equity Shares with the Stock Exchanges, including but not limited to, making applications to the Stock Exchanges for obtaining in-principle approvals, filing requisite documents with regulatory authorities such as the Ministry of Corporate Affairs (MCA), SEBI, RBI, and Stock Exchanges; appointing agencies, intermediaries, and professional advisors; modifying or finalizing the terms of the issue; to resolve and settle any questions or difficulties that may arise in connection with the proposed issue, offer, allotment of the Equity Shares; the utilization of issue proceeds; signing all necessary documents and undertakings, and any documents executed, delivered, or acts done or caused to be done shall be conclusive evidence of the authority of the Company in so doing, and any actions undertaken prior to the date of this resolution are hereby ratified, confirmed, and approved as the acts and deeds of the Company, with the Board being authorized to do all such acts, deeds, matters, and things in connection therewith and incidental thereto, and to ratify, confirm, and approve all acts and deeds undertaken prior to the date of this resolution, with the decision of the Board being final and conclusive in all matters, without requiring any further consent or approval of the Shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Director or Company Secretary or any other Executive(s) of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue."



Date: December 12, 2024
Place: Hyderabad

For NACL Industries Limited

Satish Kumar Subudhi
Satish Kumar Subudhi
Vice President - Legal & Company Secretary
FCS No: 9085

By order of the Board
for **NACL Industries Limited**

Sd/-

Satish Kumar Subudhi
Vice President - Legal & Company Secretary
(FCS-9085)

Notes:

- 1) The Ministry of Corporate Affairs ('MCA') vide its General Circular No. 14/2020 dated April 08, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 08, 2021, No. 3/2022 dated May 5, 2022, No. 11/2022 dated December 28, 2022, No. 09/2023 dated September 25, 2023 and No. 09/2024 dated September 19, 2024 issued by Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India ('SEBI') vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/Pod-2/P/CIR/2023/4 dated January 5, 2023 and SEBI Circular No. SEBI/HO/DDHS/P/ CIR/2023/0164 dated October 6, 2023 ('SEBI Circulars') have permitted the holding of EGM by companies through VC / OAVM upto September 30, 2025, without the physical presence of the Members. Accordingly, in compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circulars, the EGM of the Company is being conducted through VC/OAVM.
- 2) The Explanatory Statement, pursuant to Sections 102(1) of the Companies Act, 2013 ('the Act'), and any other applicable provisions of the Act, the rules made thereunder, SEBI LODR and Secretarial Standards on General Meetings (SS-2), Setting out material facts and reasons thereof for the proposed resolutions, forming part of the notice, is annexed herewith.
- 3) Generally, a member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this EGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members under Section 105 of the Act will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 4) This Notice is being sent to the members whose names appear on the Register of Members / list of Beneficial Owners as received from the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') and whose email address is registered with the Company/RTA/Depository Participant(s), as on Friday, the December 13, 2024.
- 5) Participation of Members through VC will be reckoned for the purpose of quorum for the EGM as per Section 103 of the Act.
- 6) All documents referred to in the Notice will be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of EGM. Members seeking to inspect such documents can send an email to investors@naclind.com. During the EGM, all the documents referred to in the Notice and Explanatory Statement will be available for inspection through electronic mode.
- 7) The Company has enabled the members to participate in the EGM without physical presence, through the VC/OAVM facility provided by M/s. Central Depository Services (India) Limited ("CDSL"). The instructions for participation by members are given in the subsequent paragraphs.
- 8) The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure EGM through VC/OAVM will be made available to at least 1,000 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 EGM without restriction on account of first come first served basis.
- 9) Members may note that the Notice of the EGM will also be available on the Company's website www.naclind.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL <https://www.evotingindia.com>.



10) **Instructions about e-Voting and joining EGM virtually are as under:**

In compliance with Regulation 44 of the SEBI LODR and Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the relevant Circulars, the Company is pleased to provide facility of remote e-voting to enable its Members to cast their votes electronically in respect of the Resolutions as set out in this EGM Notice.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

- 11) The Company has engaged the services of M/s. Central Depository Services (India) Limited ("**CDSL**") as the Agency to provide e-voting facility. Kindly refer Note No.17 below for detailed instructions for remote e-voting.
- 12) Voting during the EGM: Members who are present at the EGM through VC and have not cast their vote on resolution through remote e-voting, may cast their vote during the EGM through the e-voting system provided by CDSL in the Video Conferencing platform during the EGM. Kindly refer Note No.17 below for instruction for e-voting during the EGM.
- 13) Members whose name are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on **Friday, the December 27, 2024 ("Cut-off Date")**, shall be entitled to avail the facility of remote e-voting at the EGM. Any recipient of the Notice, who has no voting right as on the cut- off date, shall treat this notice as an intimation only
- 14) The Board of Directors of the Company has appointed Mr.S.Srikanth, Partner (M.No. A22119), representing M/s. B S S & Associates, Company Secretaries, as Scrutinizer to conduct the e-voting process in a fair and transparent manner.
- 15) The voting rights of the Members shall be in proportion to their shares held in the paid-up equity share capital of the Company as on the Cut-Off Date.
- 16) **Procedure for e-Voting and joining EGM through VC/OAVM:**
 - Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
 - Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and nonindividual shareholders in demat mode.
 - i) The e-voting period begins on Monday, January 06, 2025 at 9:00 a.m. (IST) and ends on Wednesday, January 08, 2025 at 5:00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off Date i.e. **Friday, the December 27, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the EGM.



- a) Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi Tab. 2) After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown



	on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting 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. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

b) Information and Instructions for e-voting by Shareholders other than individuals holding shares of the Company in demat mode and all Shareholders holding shares of the Company in physical mode:

- (i) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.



Birth (DOB)

- If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the relevant EVSN for 'NACL Industries Limited' on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

c) Additional Facility for Non-Individual Shareholders and Custodians - For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@naclind.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

17) Instructions for shareholders attending the EGM through VC/OAVM & e-Voting during meeting are as under:

- a. The procedure for attending meeting & e-Voting on the day of the EGM is same as the instructions mentioned above for e-voting.
- b. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.



- c. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
- d. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
- e. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f. 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.
- g. Members who would like to express their views or ask questions during the EGM may register themselves as a speaker by sending their request from their registered email id mentioning their name, DP ID and Client ID/Folio number, email id, PAN, mobile number at (Company's email id i.e investors@naclind.com) between Wednesday, the January 01, 2025 (9:00 a.m. IST) to Monday, the January 06, 2025 (5:00 p.m. IST). The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the AGM. Further, the sequence in which the shareholders will be called upon to speak will be solely determined by the Company.
- h. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- i. If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

18) Process for those shareholders whose email/mobile no. are not registered with the Company/ Depositories.

- 1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- 2. For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP).
- 3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

19) Other Instructions:

- a. The Scrutinizer after scrutinizing the votes through remote e-voting as well as the e-voting during the EGM will, not later than 48 hours of conclusion of the Meeting, make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any and submit the same forthwith to the Chairman or a person duly authorized by the Chairman who shall counter sign the same and declare the results of the voting.
- b. The results of the voting shall be declared on or after the EGM of the Company. The results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.naclind.com and be communicated to the Stock Exchanges where the Company's shares are listed, i.e., BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), stock exchanges where the Company's share are listed.
- c. Members may address any query to the Company Secretary at the Registered Office of the Company, Tel. No.040-24405100, email: investors@naclind.com, Website: www.naclind.com.
- d. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who is/are authorised to vote, to the Scrutinizer through e-mail cs@bssandassociates.com in may also upload the same in the e-voting module in their login.
- e. If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.



- f. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.



Annexure to the Notice:

The Explanatory Statement as required under Section 102 of the Companies Act, 2013

ITEM NO.1:

The Board of Directors, at its meeting held on December 12, 2024, approved the raising of funds through the issuance of Convertible Warrants and Equity Shares on a preferential basis. Subject to the approval of the Members and other necessary regulatory approvals, the Board resolved to create, offer, issue, and allot 68,96,550 (Sixty-Eight Lakhs Ninety-Six Thousand Five Hundred and Fifty) Warrants, each convertible into or exchangeable for 1 (one) fully paid-up equity share of the Company with a face value of Re. 1/- (Rupee One) each ("Warrant/Warrants"), at an issue price of ₹58/- (Rupees Fifty-Eight only) per underlying equity share, including a premium of ₹57/- (Rupees Fifty-Seven only). This price has been determined in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR"), aggregating to ₹39,99,99,900/- (Rupees Thirty-Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred only), on a preferential basis ("Issue"), to Mrs. K. Lakshmi Raju, a Promoter of the Company ("Proposed Allottee"), for cash consideration.

A company can undertake a preferential allotment or private placement only after obtaining prior approval of the Shareholders through a Special Resolution, as required under Sections 42 and 62(1)(c) of the Companies Act, 2013. Accordingly, the approval of the members is being sought through a Special Resolution. Furthermore, the proposed issue must need to adhere to and comply with the formalities specified under Sections 23(1)(b), 42, 62(1)(c), and other applicable provisions of the Companies Act, 2013, along with the rules framed thereunder, and in accordance with Regulations under Chapter V and other applicable provisions of the SEBI ICDR and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

The details of the proposed preferential issue of convertible Warrants are hereby disclosed in accordance with the provisions of the Companies Act, 2013 and SEBI ICDR are provided below:

1) Particulars of the Offer including date of passing of Board resolution:

The Board of Directors, at its meeting held on December 12, 2024, approved the issuance of 68,96,550 (Sixty-Eight Lakhs Ninety-Six Thousand Five Hundred and Fifty) Warrants ("Warrants"), each convertible into or exchangeable for 1 (one) fully paid-up equity share of the Company with a face value of Re. 1/- (Rupee One) each, at an issue price of ₹58/- (Rupees Fifty-Eight only) per Warrant, including a premium of ₹57/- (Rupees Fifty-Seven only), subject to the approval of the Members and other necessary regulatory approvals. The total issue of Warrants aggregates to ₹39,99,99,900/- (Rupees Thirty-Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred only), with the price determined in accordance with Regulation 164(1) of the SEBI ICDR. The Warrants are to be issued on a preferential basis to Mrs. K. Lakshmi Raju, a Promoter of the Company, for cash consideration. The issuance of Warrants is in accordance with Sections 23(1)(b), 42, and 62(1)(c) and other applicable provisions of the Companies Act, 2013, along with the rules framed thereunder, and in accordance with Regulations under Chapter V and other applicable provisions of the SEBI ICDR and SEBI Listing Regulations.

2) The Objects / Purpose of the Issue:

The funds shall be utilized to meet the Company's working capital requirements; Repay or pre-pay, in full or part, certain secured or unsecured loans and make payments to creditors; To support its future business plans and growth initiatives; and To address general corporate purposes, including operational exigencies, contingencies, funding capital expenditure and working capital requirement of Subsidiaries, and/or such other General Corporate requirements as may be required.

3) Maximum Number of Warrants to be issued and amount which the company intends to raise by way of such Securities:

The Board approved to offer, issue, and allot 68,96,550 (Sixty-Eight Lakhs Ninety-Six Thousand Five Hundred and Fifty) Warrants ("Warrants"), on a preferential basis, at an issue price of ₹58/- (Rupees Fifty-Eight Only) per Warrant, including a premium of ₹57/- (Rupees Fifty-Seven Only), aggregating to ₹39,99,99,900/- (Rupees Thirty-Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred Only).



4) Pricing of the Preferential Issue; and Basis for Price Determination (Including Premium) and Registered Valuer Details:

The issue price of each Warrant is fixed at ₹58/- (Rupees Fifty-Eight Only), including a premium of ₹57/- (Rupees Fifty-Seven Only), as determined in accordance with Regulation 164 of the SEBI ICDR Regulations. This price is not less than the minimum price (floor price) determined as of the 'Relevant Date' in compliance with the provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws.

The Equity Shares of the Company are listed on both the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), and are actively traded in accordance with SEBI ICDR.

The floor price for the Warrants is determined based on the SEBI ICDR pricing formula, being the highest of the following:

- a) The 90 (ninety) trading days volume-weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date;
- b) The 10 (ten) trading days VWAP of the equity shares of the Company preceding the Relevant Date;
- c) The floor price as determined under the provisions of the Company's Articles of Association, which does not require a higher valuation method than that prescribed under SEBI ICDR.

Since this preferential issue does not result in a change in control or allotment of more than five percent of the post-issue fully diluted capital to a single allottee or to allottees acting in concert, a valuation report from an independent Registered Valuer is not required for this Issue.

5) Relevant Date:

In accordance with the provisions of Regulation 161 of SEBI ICDR Regulations, the 'Relevant Date' for determining the floor price for the preferential issue is Tuesday, December 10, 2024, which is 30 days prior to the date of the Extraordinary General Meeting (EGM).

6) The class or classes of Persons to whom the allotment is proposed to be made:

The preferential issue of Warrants is proposed to be made to the Proposed Allottee, who belongs to the Promoter category of the Company.

7) The proposal/intention of the Promoters, Directors and Key Managerial Personnel or Senior Management to subscribe to the proposed Issue:

Except the proposed Allottee Mrs. K.Lakshmi Raju, Promoter, none of the Directors/Key Managerial Personnel or Senior Management intends to subscribe to the Preferential Issue of convertible Warrants to the person belonging to the Promoter category.

8) Proposed time limit within which the allotment shall be complete:

The Company will issue and allot the convertible warrants within the time limit specified under the SEBI ICDR or any extended time limit permitted under the Regulations or any other applicable law. If the allotment to any proposed allottees is pending due to the requirement for approval or permission from any regulatory authority, the allotment will be completed within 15 days from the date of receipt of such approval, or within such further period as may be prescribed or allowed by SEBI, Stock Exchange(s), or other concerned authorities. In any case, the allotment of the Warrants to the Proposed Allottee on a preferential basis, following the special resolution, will be completed within 15 (fifteen) days from the date of passing the special resolution at Item No. 1 or within 15 (fifteen) days from the date of receipt of the such approval / permission including the approval of Stock Exchanges, whichever is later.

The Warrants may be exercised by the Warrant holder, in one or more tranches, at any time before the expiry of 18 months from the date of allotment, by issuing a written notice to the Company specifying the number of Warrants to be exercised and the aggregate amount payable. The Company will then allot the corresponding number of Equity Shares in dematerialized form, without requiring any further approval from the Members of the Company.



9) Identity of Proposed Allottees (including natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and / or who ultimately control the proposed allottees) and the percentage of post preferential issue capital that may be held by them:

The Company proposes to issue convertible Warrants by way of preferential issue to a Promoter, for cash as per the details given herein below:

Name of the proposed allottee	Pre-issue Shareholding		No. of Warrants to be Issued/ allotted	Post issue Shareholding (Post conversion of Warrants)		Name of the natural persons who are the ultimate beneficiaries	Ultimate Beneficial Interest in the proposed allottee (%)
	No. of Equity Shares	% of share holding		No. of Equity Shares	% of shareholding		
Mrs. K.Lakshmi Raju Category: Promoter	1,27,05,860	6.37	68,96,550	1,96,02,410	9.42	Not applicable as the Proposed Allottee is Natural Person and also the Beneficial Owner	Not Applicable

Notes:

- The pre-issue shareholding pattern is as on 12th December, 2024;
- The pre-Issue paid-up capital is arrived at after considering the allotment of 55,000 equity shares upon the exercise of Options by the Grantees under the NACL Employees Stock Options Scheme - 2020 ('ESOS-2020') on the even date, i.e., December 12, 2024
- The Post-issue paid-up capital is arrived after considering all the preferential allotments proposed to be made under this Notice (Item no.1 and 2) and on fully diluted basis (assuming fully conversion of Warrants into Equity Shares).
- In the event any of the ESOP's are exercised or further issue of shares by the Company between the date of this Notice and the date of allotment of equity shares upon conversion of Warrants, the shareholding pattern shall stand modified accordingly.

10) The Shareholding Pattern of the Company before and after the Preferential Issue:

The shareholding pattern of the Company before and after the proposed preferential issue (i.e after the proposed conversion of Warrants into equity) is likely to be as follows:

Sr No	Category	Pre-Issue*		Post-Issue*	
		No of shares held	% of share holding	No of shares held	% of share holding
A)	Promoters' holding				
1)	Indian				
	Individual	-	-	-	-
	Bodies corporate	11,42,09,999	57.27	11,42,09,999	54.89
	Sub-total	11,42,09,999	57.27	11,42,09,999	54.89
2)	Foreign promoters	1,27,05,860	6.37	1,96,02,410	9.42
	Sub-total (A)	12,69,15,859	63.64	13,38,12,409	64.31
B)	Non-promoters' holding				
1	Institutional investors	3,65,330	0.18	3,65,330	0.18
2	Non-institution				
	Private corporate bodies	1,91,72,914	9.61	2,08,97,051	10.04
	Directors (excluding KMPs)	1,29,745	0.06	1,29,745	0.06
	Indian public	4,72,00,172	23.67	4,72,00,172	22.69
	Others (including NRIs)	56,55,156	2.84	56,55,156	2.72
	Sub-total (B)	7,25,23,317	36.36	7,42,47,454	35.69
	Grand Total	19,94,39,176	100.00	20,80,59,863	100.00

***Notes:**

- The pre-issue shareholding pattern is as on 12th December, 2024;
- The pre-Issue paid-up capital is arrived at after considering the allotment of 55,000 equity shares upon the exercise of Options by the Grantees under the NACL Employees Stock Options Scheme - 2020 ('ESOS-2020') on the even date, i.e., December 12, 2024
- The Post-issue paid-up capital is arrived after considering all the preferential allotments proposed to be made under this Notice (Item no.1 and 2) and on fully diluted basis (assuming fully conversion of Warrants into Equity Shares).
- In the event any of the ESOP's are exercised or further issue of shares by the Company between the date of this Notice and the date of allotment of equity shares upon conversion of Warrants, the shareholding pattern shall stand modified accordingly.



11) Change in control, if any, in the Company that would occur consequent to the preferential offer:

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed Preferential Issue..

12) Lock-in Period:

The Warrants and the Equity Shares arising from their conversion shall be subject to a lock-in period as specified under Regulation 167 and other applicable provisions of the SEBI ICDR. The pre-preferential allotment shareholding of the Proposed Allottee, if any, in the Company shall also be subject lock-in as per the provisions of the aforesaid SEBI ICDR.

13) Re-computation of Issue Price:

The Company shall re-compute the issue price of Warrants, in terms of the provisions of SEBI ICDR, where it is required to do so, and if any amount payable on account of such re-computation of the issue price is not paid within the time stipulated in the SEBI ICDR, the Warrants allotted under preferential issue shall continue to be lock-in till the time such amount is paid by the Allottee.

14) 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 previous financial year (FY 2024) and the current financial year (FY 2025), the Company has not undertaken any preferential issue or allotment.

15) Practicing Company Secretary's Certificate:

The certificate from Mr.S.Srikanth, (CoP No.7999), Partner of M/s.BSS & Associates, Practicing Company Secretaries, certifying that the preferential issue of shares is being made in compliance with the requirements of SEBI ICDR Regulations, has been obtained for the said preferential issue. A copy of the certificate is available on the Company's website at www.naclind.com.

16) Listing:

The Company will make an application to the Stock Exchanges at which the existing shares are already listed, for listing of the equity shares being issued on conversion of Warrants. Such Equity Shares, once allotted, shall rank pari-passu with the existing equity shares of the Company in all respects, including dividends.

17) Name and address of Valuer who performed valuation:

Not Applicable.

18) Principal terms of Assets charged as securities:

Not Applicable.

19) Material terms of raising such securities:

The material terms of the proposed preferential issue of Warrants are detailed in the Special Resolution outlined under Item No. 1 of this Notice, along with the terms specified in this Explanatory Statement.

20) Other Disclosures/Undertaking:

- a) The Company is eligible to make the preferential Issue under the chapter V of SEBI ICDR.
- b) The Proposed Allottee has confirmed that she has not sold any Equity Shares of the Company during the 90 trading days preceding the Relevant Date, i.e., December 10, 2024, and further confirmed her eligibility under SEBI ICDR to subscribe to the preferential issue. Additionally, the Proposed Allottee has confirmed that she is not debarred from accessing the capital market and has not been restrained by any regulatory authority from, directly or indirectly, acquiring the said securities.
- c) Since the requirement to appoint a Monitoring Agency is not mandatory for an issue size of up to ₹100 Crores, and as such this issue size is below ₹100 Crores, the Company has not appointed any Monitoring Agency for this issue.
- d) The justification for allotment made for 'Consideration other than Cash', along with the Valuation Report of the Registered Valuer, is not applicable as the allotment of Warrants under the Preferential Issue is being made for Cash consideration.
- e) Neither the Company, its Directors, nor its Promoters are categorized as Willful Defaulters or Fraudulent Borrowers. Hence, the disclosure under Regulation 163(1)(i) is not applicable.



- f) Currently, no other Preferential Issue is pending or in process, apart from the one proposed in this notice.
- g) Except for the penalty notices served by both the Stock Exchanges, BSE and NSE, for an alleged non-compliance with Regulation 19, and for which the company has applied for a waiver, the Company does not have any outstanding dues to SEBI, the Stock Exchanges, or the Depositories.
- h) The Company has duly obtained the PAN number of the Proposed Allottee.
- i) The Company will apply for in-principle approval from the Stock Exchanges, where its equity shares are listed, on the same day this notice is sent regarding the General Meeting, seeking shareholders' approval by way of Special Resolutions.
- j) The Company is in compliance with the conditions for continuous listing.
- k) The pre-preferential equity shares held by the Proposed Allottee, i.e., the Promoter, are in dematerialized form, and she has not sold any equity shares during the 90 trading days preceding the Relevant Date.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out at Item No. 1 in the accompanying Notice for your approval.

Save and except Mrs.K.Lakshmi Raju and her relatives, to the extent of their shareholdings, if any, None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested financially or otherwise, in the aforesaid resolution set out at Item No.1 of the Notice.

ITEM NO.2:

The Board of Directors, at its meeting held on December 12, 2024, approved the raising of funds through the issuance of Convertible Warrants and Equity Shares on a preferential basis. Subject to the approval of the Members and other necessary regulatory approvals, the Board resolved to create, offer, issue, and allot 17,24,137 (Seventeen Lakh Twenty-Four Thousand One Hundred and Thirty-Seven) fully paid-up Equity Shares of face value ₹1/- (Rupee One Only) each, at an issue price of ₹58/- (Rupees Fifty-Eight Only) per Equity Share (including a premium of ₹57/- per share), as determined in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR"), for an aggregate consideration of ₹9,99,99,946/- (Rupees Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Forty-Six Only), on a preferential basis, to M/s. Equity Intelligence India Private Limited, a person belonging to the Non-Promoter Category ("Proposed Allottee"), for cash consideration.

A company can undertake a preferential allotment or private placement only after obtaining prior approval of the Shareholders through a Special Resolution, as required under Sections 42 and 62(1)(c) of the Companies Act, 2013. Accordingly, the approval of the members is being sought through a Special Resolution. Furthermore, the proposed issue must need to adhere to and comply with the formalities specified under Sections 23(1)(b), 42, 62(1)(c), and other applicable provisions of the Companies Act, 2013, along with the rules framed thereunder, and in accordance with Regulations under Chapter V and other applicable provisions of the SEBI ICDR and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

The details of the proposed preferential issue of Equity Shares are hereby disclosed in accordance with the provisions of the Companies Act, 2013 and SEBI ICDR are provided below:

1) Particulars of the Offer including date of passing of Board resolution:

The Board of Directors, at its meeting held on December 12, 2024, approved to create, offer, issue, and allot 17,24,137 (Seventeen Lakh Twenty-Four Thousand One Hundred and Thirty-Seven) fully paid-up Equity Shares of face value ₹1/- (Rupee One Only) each, at an issue price of ₹58/- (Rupees Fifty-Eight Only) per Equity Share (including a premium of ₹57/- per share), as determined in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR"), for an aggregate consideration of ₹9,99,99,946/- (Rupees Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Forty-Six Only), on a preferential basis, to M/s. Equity Intelligence India Private Limited, a person belonging to the Non-Promoter Category ("Proposed Allottee"), for cash consideration. The issuance of such Equity Shares is in accordance with Sections 23(1)(b), 42,



and 62(1)(c) and other applicable provisions of the Companies Act, 2013, along with the rules framed thereunder, and in accordance with Regulations under Chapter V and other applicable provisions of the SEBI ICDR and SEBI Listing Regulations.

2) The Objects / Purpose of the Issue:

The funds shall be utilized to meet the Company's working capital requirements; Repay or pre-pay, in full or part, certain secured or unsecured loans and make payments to creditors; To support its future business plans and growth initiatives; and To address general corporate purposes, including operational exigencies, contingencies, funding capital expenditure and working capital requirement of Subsidiaries, and/or such other General Corporate requirements as may be required.

3) Maximum Number of Equity Shares to be issued and amount which the company intends to raise by way of such Securities:

The Board of Directors approved to create, offer, issue, and allot 17,24,137 (Seventeen Lakh Twenty-Four Thousand One Hundred and Thirty-Seven) fully paid-up Equity Shares of face value ₹1/- (Rupee One Only) each, at an issue price of ₹58/- (Rupees Fifty-Eight Only) per Equity Share (including a premium of ₹57/- per share), aggregating to ₹9,99,99,946/- (Rupees Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Forty-Six Only).

4) Pricing of the Preferential Issue; and Basis for Price Determination (Including Premium) and Registered Valuer Details:

The issue price of each Equity Shares is fixed at ₹58/- (Rupees Fifty-Eight Only), including a premium of ₹57/- (Rupees Fifty-Seven Only), as determined in accordance with Regulation 164 of the SEBI ICDR Regulations. This price is not less than the minimum price (floor price) determined as of the 'Relevant Date' in compliance with the provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws.

The Equity Shares of the Company are listed on both the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), and are actively traded in accordance with SEBI ICDR.

The floor price for such Equity Shares is determined based on the SEBI ICDR pricing formula, being the highest of the following:

- a) The 90 (ninety) trading days volume-weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date;
- b) The 10 (ten) trading days VWAP of the equity shares of the Company preceding the Relevant Date;
- c) The floor price as determined under the provisions of the Company's Articles of Association, which does not require a higher valuation method than that prescribed under SEBI ICDR.

Since this preferential issue does not result in a change in control or allotment of more than five percent of the post-issue fully diluted capital to a single allottee or to allottees acting in concert, a valuation report from an independent Registered Valuer is not required for this Issue.

5) Relevant Date:

In accordance with the provisions of Regulation 161 of SEBI ICDR Regulations, the 'Relevant Date' for determining the floor price for the preferential issue is Tuesday, December 10, 2024, which is 30 days prior to the date of the Extraordinary General Meeting (EGM).

6) The class or classes of Persons to whom the allotment is proposed to be made:

The preferential issue of Equity Shares is proposed to be made to the Proposed Allottee, who belongs to the Non-Promoter category.

7) The proposal/intention of the Promoters, Directors and Key Managerial Personnel or Senior Management to subscribe to the proposed Issue:

None of the Promoter/Directors/Key Managerial Personnel or Senior Management intends to subscribe to the preferential issue of Equity Shares (under the Resolution referred under item No.2 of this Notice).

8) Proposed time limit within which the allotment shall be complete:

The Company will issue and allot such Equity Shares, on preferential basis, within the time limit specified under the SEBI ICDR or any extended time limit permitted under the Regulations or any other applicable law. If the allotment to any proposed allottees is pending due to the requirement for approval or permission from any regulatory authority, the allotment will be completed within 15 days from the date of



receipt of such approval, or within such further period as may be prescribed or allowed by SEBI, Stock Exchange(s), or other concerned authorities. In any case, the allotment of such Equity Shares to the Proposed Allottee on a preferential basis, following the special resolution, will be completed within 15 (fifteen) days from the date of passing the special resolution at Item No. 2 or within 15 (fifteen) days from the date of receipt of such approval / permission including the approval of Stock Exchanges, whichever is later.

9) Identity of Proposed Allottees (including natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and / or who ultimately control the proposed allottees) and the percentage of post preferential issue capital that may be held by them:

The Company proposes to issue Equity Shares by way of preferential issue to a person under Non-Promoter category, for cash as per the details given herein below:

Name of the proposed allottee	Pre-issue Shareholding *		No. of Equity Shares to be Issued/ Allotted	Post issue Shareholding *		Name of the natural persons who are the ultimate beneficiaries*	Ultimate Beneficial Interest in the proposed allottee * (%)
	No. of Equity Shares	% of share holding		No. of Equity Shares	% of shareholding		
Equity Intelligence India Private Limited	Nil	Nil	17,24,137	17,24,137	0.83%	Mr.Porinju Veliyath	93.81%
Category: Non-Promoter							

***Notes:**

- The pre-issue shareholding pattern is as on 12th December, 2024;
- The pre-Issue paid-up capital is arrived at after considering the allotment of 55,000 equity shares upon the exercise of Options by the Grantees under the NACL Employees Stock Options Scheme - 2020 ('ESOS-2020') on the even date, i.e., December 12, 2024
- The Post-issue paid-up capital is arrived after considering all the preferential allotments proposed to be made under this Notice (item no.1 and 2) and on fully diluted basis (assuming fully conversion of Warrants into Equity Shares).
- In the event any of the ESOP's are exercised or further issue of shares by the Company between the date of this Notice and the date of allotment of equity shares upon conversion of Warrants, the shareholding pattern shall stand modified accordingly.
- The ultimate beneficiaries of the Proposed Allottee, being a body corporate, are identified as the natural persons holding more than 20% of the shareholding in the Proposed Allottee, who are considered as having significant beneficial interest.

10) The Shareholding Pattern of the Company before and after the Preferential Issue:

The shareholding pattern of the Company, before and after the proposed preferential issue (i.e., subsequent to the issuance of Equity Shares and the conversion of Warrants into Equity Shares as outlined in Resolutions at Item Nos. 1 and 2 of this Notice, respectively), is likely to be as follows:

Sr No	Category	Pre-issue*		Post-issue*	
		No of shares held	% of share holding	No of shares held	% of share holding
A)	Promoters' holding				
1)	Indian				
	Individual	-	-	-	-
	Bodies corporate	11,42,09,999	57.27	11,42,09,999	54.89
	Sub-total	11,42,09,999	57.27	11,42,09,999	54.89
2)	Foreign promoters	1,27,05,860	6.37	1,96,02,410	9.42
	Sub-total (A)	12,69,15,859	63.64	13,38,12,409	64.31
B)	Non-promoters' holding				
1	Institutional investors	3,65,330	0.18	3,65,330	0.18
2	Non-institution				
	Private corporate bodies	1,91,72,914	9.61	2,08,97,051	10.04
	Directors (excluding KMPs)	1,29,745	0.06	1,29,745	0.06
	Indian public	4,72,00,172	23.67	4,72,00,172	22.69
	Others (including NRIs)	56,55,156	2.84	56,55,156	2.72
	Sub-total (B)	7,25,23,317	36.36	7,42,47,454	35.69
	Grand Total	19,94,39,176	100.00	20,80,59,863	100.00



***Notes:**

- The Pre-issue shareholding pattern is as on 12th December, 2024;
- The Pre-Issue paid-up capital is arrived at after considering the allotment of 55,000 equity shares upon the exercise of Options by the Grantees under the NACL Employees Stock Options Scheme - 2020 (ESOS-2020) on the even date, i.e., December 12, 2024
- The Post-issue paid-up capital is arrived after considering all the preferential allotments proposed to be made under this Notice (Item no.1 and 2) and on fully diluted basis (assuming fully conversion of Warrants into Equity Shares).
- In the event any of the ESOPs are exercised or further issue of shares by the Company between the date of this Notice and the date of allotment of equity shares upon conversion of Warrants, the shareholding pattern shall stand modified accordingly.

11) Change in control, if any, in the Company that would occur consequent to the preferential offer:

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed Preferential Issue.

12) Lock-in Period:

The Equity Shares to be issued on preferential basis, shall be subject to a lock-in period as specified under Regulation 167 and other applicable provisions of the SEBI ICDR. The pre-preferential shareholding of the Proposed Allottee, if any, in the Company shall also be subject lock-in as per the provisions of the aforesaid SEBI ICDR.

13) Re-computation of Issue Price:

The Company shall re-compute the issue price of such Equity Shares, in terms of the provisions of SEBI ICDR, where it is required to do so, and if any amount payable on account of such re-computation of the issue price is not paid within the time stipulated in the SEBI ICDR, the Equity Shares allotted under preferential issue shall continue to be lock-in till the time such amount is paid by the Allottee.

14) 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 previous financial year (FY 2023-24) and the current financial year (FY 2024-25), the Company has not undertaken any preferential issue or allotment.

15) Practicing Company Secretary's Certificate:

The certificate from Mr.S.Srikanth, (CoP No.7999), Partner of M/s.BSS & Associates, Practicing Company Secretaries, certifying that the preferential issue of shares is being made in compliance with the requirements of SEBI ICDR Regulations, has been obtained for the said preferential issue. A copy of the certificate is available on the Company's website at www.naclind.com.

16) Listing:

The Company will make an application to the Stock Exchanges at which the existing shares are already listed, for listing of such Equity Shares being issued on preferential basis. Such Equity Shares, once allotted, shall rank pari-passu with the existing equity shares of the Company in all respects, including dividends.

17) Name and address of Valuer who performed valuation:

Not Applicable.

18) Principal terms of Assets charged as securities:

Not Applicable.

19) Material terms of raising such securities:

The material terms of the proposed preferential issue of such Equity Shares are detailed in the Special Resolution outlined under Item No. 2 of this Notice, along with the terms specified in this Explanatory Statement.

20) Other Disclosures/Undertaking:

- a) The Company is eligible to make the preferential Issue of Equity Shares under the chapter V of SEBI ICDR.
- b) 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, i.e., December 10, 2024, and further confirmed its eligibility under SEBI ICDR to subscribe to the preferential issue. Additionally, the Proposed Allottee has confirmed that it is not debarred from accessing the capital market and has not been restrained by any regulatory authority from, directly or indirectly, acquiring the said securities.



- c) Since the requirement to appoint a Monitoring Agency is not mandatory for an issue size of up to ₹100 Crores, and as such this issue size is below ₹100 Crores, the Company has not appointed any Monitoring Agency for this issue.
- d) The justification for allotment made for 'Consideration other than Cash', along with the Valuation Report of the Registered Valuer, is not applicable as the allotment of Warrants under the Preferential Issue is being made for Cash consideration.
- e) Neither the Company, its Directors, nor its Promoters are categorized as Willful Defaulters or Fraudulent Borrowers. Hence, the disclosure under Regulation 163(1)(i) is not applicable.
- f) Currently, no other Preferential Issue is pending or in process, apart from the one proposed in this notice.
- g) Except for the penalty notices served by both the Stock Exchanges, BSE and NSE, for an alleged non-compliance with Regulation 19, and for which the company has applied for a waiver, the Company does not have any outstanding dues to SEBI, the Stock Exchanges or the Depositories.
- h) The Company has duly obtained the PAN number of the Proposed Allottee.
- i) The Company will apply for in-principle approval from the Stock Exchanges, where its equity shares are listed, on the same day this notice is sent regarding the General Meeting, seeking shareholders' approval by way of Special Resolutions.
- j) The Company is in compliance with the conditions for continuous listing.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out at Item No. 2 in the accompanying Notice for your approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested financially or otherwise, in the aforesaid resolution set out at Item No.2 of the Notice,



By order of the Board
for **NACL Industries Limited**

Sd/-

Satish Kumar Subudhi

Vice President – Legal & Company Secretary
(FCS-9085)

Date: December 12, 2024

Place: Hyderabad

For NACL Industries Limited

Satish Kumar Subudhi
Vice President - Legal & Company Secretary
FCS No: 9085

