

NOTICE:

NOTICE IS HEREBY GIVEN THAT THE 01ST EXTRA ORDINARY GENERAL MEETING FOR THE FINANCIAL YEAR 2023-2024 OF THE MEMBERS OF BALU FORGE INDUSTRIES LIMITED WILL BE HELD ON FRIDAY 14TH JULY 2023 AT 11:00 AM IST THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS:

SPECIAL BUSINESSES:**ITEM NUMBER 1:****INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY.**

TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to the provisions of Section 61, 64 and other applicable provisions if any, of the Companies Act, 2013 (the “Act”) (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force) and the rules made thereunder, the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to requisite approvals, consents, permissions and/or sanctions, from appropriate statutory, regulatory or other authority as required, the consent of the members of the Company be and is hereby accorded to increase the Authorised Share Capital of the Company from existing Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 9,00,00,000 (Nine Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,10,00,00,000/- (Rupees One Hundred and Ten Crore Only) divided into 11,00,00,000 (Eleven Crore) Equity Shares Rs. 10/- (Rupees Ten only) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.”

“RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder, consent of the members of the Company be and is hereby accorded to alteration of Clause V of the Memorandum of Association of the Company by substituting the following new Clause V as under:

- V. *The Authorized Share Capital of the Company is Rs. 1,10,00,00,000/- (Rupees One Hundred and Ten Crore only) divided into 11,00,00,000 (Eleven Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each. The Company shall have power to increase the said capital and to issue any part of its capital, original or increased, with or without any preferential rights, privileges, conditions or advantages over or as compared with any shares previously issued or to be thereafter issued, whether in respect of dividend or repayment of capital or both and whether with any special rights of voting or without any right of voting and generally on such terms as the Company may from time to time determine, nevertheless that in the event of the Capital of the Company (including the original Capital) being or becoming divided into shares of different classes, the rights or privileges attached to any class, may be affected, altered, modified or dealt with only in accordance with the provisions in that behalf contained in the Articles of Association of the Company for the time being subject to the provisions of the Companies Act, 2013.”*

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and digitally sign and uploading of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect this resolution.”

**BALU FORGE INDUSTRIES LTD****CIN: L29100MH1989PLC255933**

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ITEM NUMBER 2:**ALTERATION OF OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY:**

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 Section 4, 13, and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with applicable Regulations SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and subject to the approvals, consents, sanctions and permissions of the Central Government/ Registrar of Companies, Maharashtra, Mumbai under Ministry of Corporate Affairs / appropriate regulatory and statutory authorities as may be necessary and subject to such terms and conditions as may be imposed by them, consent of the members of the Company be and is hereby accorded for alteration in the Part III Main Object Clause of Memorandum of Association of the Company in the following manner:

1. Insertion of new clauses serially numbered as 2 and 3 after the existing Clause 1 in **Clause III-(A), MAIN OBJECT** of the Memorandum of Association of the Company which are read as under:

#2. To carry on the business of consultants and acquire from any person, firms or body corporate, import, export or otherwise deal with all types of technical information, know how processes, engineering, manufacturing and operating plans, layouts and blue prints useful for the design, erection and operation of plant required for any of the purpose mentioned and to acquire grant of license and other rights and benefits in the forging matters and things.

#3. To carry on the business as contractors, executors, fabricators, moulders, forgers and engineers of all type including mechanical, electrical, civil, metallurgical, structural, to undertake role of planning, designing, consultancy, erection, construction, installations, commissioning, alteration, renovation, repairs maintenance and control of all kinds of plants works equipment's, machinery established or required for the purposes of manufacturing, processing, producing, manipulating any material including steel of all kinds, ferrous, non-ferrous metals, rubber, electrical goods, agriculture implements and other allied products of all types.

2. Alteration of clause 19 forming part of **Clause III-(B), OBJECTS INCIDENTAL AND ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS** of the Memorandum of Association of the Company which is read as under:

#19. To establish and maintain agencies in India or any part of the world as principals, agents, contractors, trustees or otherwise and by or through trustees, agents, sub-contractors or otherwise and either alone in conjunction with others and to establish branches at places in or outside India for the conduct of the Business of the Company or for the sale of any materials or things for the time being at the disposal of the Company for sale.

3. Insertion of new clauses serially numbered from 29 to 42 forming part of **Clause III-(B), OBJECTS INCIDENTAL AND ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS** of the Memorandum of Association of the Company which are read as under:

#29 To give guarantees or indemnities for, undertake or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether with or with no personal covenant, and whether with or with no security, or in any other way whatsoever as the Board may decide, the liabilities, the performance of contracts and obligations and the payment of any moneys availed whatsoever by any person, firm or company whether this, at the relevant time, is the holding company or a subsidiary or an associated company or an affiliate of the Company or not, whether the Company has any contractual relations with such person, firm or company or not, whether the Company holds any interest in such person, firm or company or not, whether such person, firm or company holds any shares

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or interest in the Company or not and to assist in any other way as the Board may deem expedient any other person, firm or company.

For the purpose of this paragraph, the term "security" means the mortgaging, encumbrance, pledging, assignment or in any other way creation of any rights or priorities in favour of any person on the whole or part of the undertaking, the property, the assets, the book debts, the rights, the choses in action, the receivables, the present and future income and the uncalled capital of the Company.

#30. To carry on business as manufacturers in, dynamos, motors, armatures, magnetos, batteries, conductors, insulators, transformers, converters, switchboard, cooker, glass, poetry, rubber, insulating materials, and general electrical plant, appliance and supplies of every description.

#31. To carry on business as manufacturers of, and dealers in, lamps for burning oil, petrol, gas, electricity or other illuminants, heating apparatus and appliances, cookers, cooking apparatus and appliances, gas and electric light fittings, gas mantles, lampshade trimmings and frames and similar articles.

#32. To carry on business as manufacturers of and dealers in, cables, chains, anchors, belts, wires, cords, conductors, turbines, boilers, engines, dynamos, motors, and mechanical and electrical machinery, plant and fittings generally.

#33. To carry on business as manufacturers of and dealers in, ball and roller bearings and bearings of all kinds.

#34. To carry on business as locksmiths, tinsmiths and blacksmiths.

#35. To search for, win, work, get, raise, import, crush, manipulation and prepare for the market iron and other ore, coal, clay and minerals generally.

#36. To carry on business as tin mine proprietors, colliery proprietors, mining engineers, metallurgists, tinsmiths, tin and tinplate merchants, brokers and tinfoil paper manufacturers, tinsel and tinsel powder manufacturers, tinsel fabric manufacturers, zinc bronze and lead manufacturers, builders, brick, tile and pottery manufacturers.

#37. To carry on business as manufacturers, founders and suppliers of, and dealers in, aluminium castings, boxes, fittings, powder, foil, solder, and aluminium wares of all descriptions.

#38. To carry on business of manufacturers of, dealers in and repairer of, electrical accumulators, batteries, acids and containers, wireless transmitting and receiving sets, gramophones, sound reproducing amplifying instruments, cinematograph machines, cameras and photographic apparatus: and requisites, equipment and fittings for any of the instruments aforesaid.

#39. To carry on business as manufacturers and importers of, and dealers in abrasive material and wheels, acetylene lamps, and cutting and welding equipment, bellows, belting, belt fasteners, belt dressings, blow lamps, blue print requisites, boiler compounds and fluids, water, softening apparatus, testing apparatus, drawing instruments, emery, paper and cloth, steam, water and engine pickings, washers, asbestos, fibro, rubber and composition goods, jigs, tools, gauges, overall, patterns, models, files, pressure gauges, grindstones, jointing, boiler and pipe coverings, and engineers' and woodworkers' supplies, requisites and equipment of all descriptions.

#40. To acquire by concession, grant, purchase, amalgamation, barter, association, partnership or person any such purchase to undertake the liabilities of any Company, property or effects held or used in connection therewith and upon Company and any lands, buildings, privileges, rights, contracts.

#41. To carry on any of the above trades or businesses in any part of the world, to undertake, fulfil and execute any agency of any kind, whether connected with the above trades or businesses or not, and to



carry on any other trade or businesses, whether subsidiary or not, which can in the opinion of the Company be carried on advantageously in connection with any of the trades or businesses aforesaid, or which in the opinion of the Company will enhance the value of any of the Company's property.

#42. To carry on business relating to the winning and working of minerals, the production of working of metals and the production, manufacture and preparation of any other materials which may be usefully or conveniently, combined with the engineering or manufacturing business of the Company or any contracts undertaken by the Company, and either for the purpose only of such contracts or as an independent business.

"RESOLVED FURTHER THAT the approval of the members of the Company be and is hereby accorded for commencing and carrying on new business and activities as included in the Object Clause of the Company as altered above at such time or times as the Board may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."

4. Deletion of complete **PART-C** forming part of **Clause III, THE OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE** of the Memorandum of Association of the Company.

ITEM NUMBER 3:

ALTERATION TO THE ARTICLES OF ASSOCIATION:

TO CONSIDER AND, IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION.

"RESOLVED THAT in accordance with the provisions of Section 14 read with the Companies (Incorporation) Rules, 2014 and all other applicable provision(s), if any of the Companies Act, 2013 or applicable rule(s) made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such approvals as may be necessary, the existing Articles of Association of the Company be altered by inserting new Article II 7A after the existing Article II 7 which is read as under:

Clause II 7A: *The Company shall adhere to the listing requirements as per the Securities Contracts (Regulation) Act, 1956 and The Securities Contracts (Regulations) Rule, 1957 & amendment made thereunder, Respective Stock Exchanges and/or as per the requirements laid down by any other competent authority."*

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."



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ITEM NUMBER 4:

APPROVAL TO CREATE, OFFER AND ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS TO THE PERSONS OTHER THAN PROMOTERS AND PROMOTER GROUP.

TO CONSIDER AND, IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION.

“RESOLVED THAT pursuant to Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof for the time being in force) (“the Act”) and the enabling provisions of the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR), Regulations”) and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI (Takeover) Code”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India (“GOI”), Reserve Bank of India (“RBI”), the Registrar of Companies (the “ROC”), Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and the Stock Exchanges where the shares of the Company are listed (“Stock Exchanges”) and/or any other competent authorities (hereinafter referred to as ‘Applicable Regulatory Authorities’) to the extent applicable, the Listing Agreements entered into by the Company with the Stock Exchanges and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution or any person authorised by the Board or its committee for such purpose) and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time, in one or more tranches up to 1,37,27,000 (One Crore Thirty Seven Lakhs Twenty Seven Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each for cash a premium of Rs. 105.45/- (Rupees One Hundred Five & Forty-Five Paise Only) per share aggregating to Rs. 1,58,47,82,150/- (Rupees One Hundred Fifty-Eight Crore Forty Seven Lakhs Eighty Two Thousand One Hundred & Fifty Only) to the proposed allottees as mentioned below on preferential basis for cash and in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations and SEBI Takeover Regulations or other applicable laws and on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval or consent from the members.

Sr #	Name of the Proposed Allottee	Category	Maximum No. of Equity shares proposed to be issued and allotted
1	Ashish Rameshchandra Kacholia	Non-Promoter	21,65,500
2	Bengal Finance And Investment Private Limited	Non-Promoter	21,65,500
3	Sageone-Flagship Growth 2 Fund	Non-Promoter	18,00,000
4	Vanaja Sundar Iyer, Sundar Iyer	Non-Promoter	18,00,000
5	Shrem Investments Private Limited	Non-Promoter	15,00,000
6	Rathod Management Consultancy LLP	Non-Promoter	11,50,000
7	Rikeen P Dalal, Karta of Rikeen P Dalal HUF	Non-Promoter	7,00,000
8	Zenith Multi Trading DMCC	Non-Promoter	5,50,000
9	Ashika Global Finance Private Limited	Non-Promoter	5,00,000



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10	Foresight Holdings Private Limited	Non-Promoter	5,00,000
11	Triveni Trust (Mahendra Kumar Dhanuka, Rahul Dhanuka, Mridul Dhanuka are Beneficiaries)	Non-Promoter	4,50,000
12	Dilip P Bhat	Non-Promoter	1,73,000
13	Padigree Advisory Private Limited	Non-Promoter	1,73,000
14	Payal Sanghavi	Non-Promoter	1,00,000
Total			1,37,27,000

“RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Equity Shares is **Wednesday 14th June 2023** i.e., 30 days prior to the date of Passing of the Special Resolution in the Extraordinary General Meeting.”

“RESOLVED FURTHER THAT the offer, issue, and allotment of the aforesaid Equity Shares to the proposed allottees shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

- The Allottee shall be required to bring in 100% of consideration, for the relevant equity shares to be allotted on or before the date of allotment hereof;
- The consideration for allotment of relevant equity shares shall be paid to the company by the proposed allottee from their respective bank accounts;
- The Equity Shares so allotted to the Proposed Allottees under this resolution shall not be sold, transferred, hypothecated, or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations, 2018 except to the extent and in the manner permitted there under;
- Allotment of the Equity Shares shall only be made in dematerialized form;
- The allotment of Equity Shares shall be completed within a period of 15 days from the date of passing this resolution, provided that where the allotment is pending on account of pendency of any approval by any regulatory authority, or the Central Government then, the allotment shall be completed within 15 days from the date of receipt of such approval;
- The Equity Shares proposed to be issued shall rank pari passu with the existing Equity Shares of the Company in all respects and that the Equity Shares so allotted shall be entitled to the dividend declared, if any, including other corporate benefits, if any;
- The issue and allotment of equity shares shall be subject to the requirements of all applicable laws and pursuant to the provisions of the Memorandum of Association and Articles of Association of the Company;
- 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;

“RESOLVED FURTHER THAT the Board be and is hereby authorized to make an offer to the proposed allottees through private placement offer cum application letter (In the format of ‘Form PAS-4’) immediately after passing of this resolution with a stipulation that allotment would be made only upon receipt of in-principle approval from the stock exchange.”

“RESOLVED FURTHER THAT pursuant to the provisions of SEBI ICDR Regulations, 2018 and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the Shares, as it may, in its sole and absolute discretion deem fit within the scope of this approval of Members and expedient and to make an offer to the Allottee through private placement offer cum application letter in Form PAS- 4 as prescribed under the Companies Act, 2013, without being required to seek any further Consent or Approval of the Members.”

“RESOLVED FURTHER THAT in case of non-subscription from any proposed Allottees, the Board of Directors of the Company shall have the power to allot same to any other proposed Allottees or dispose of such equity shares in the manner as they deem fit and beneficial in the interest of the Company.”



“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable 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 and to authorize 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 application for in-principle approval, listing approval thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, filing requisite documents with the Ministry of Corporate Affairs and other regulatory authorities, filing of requisite documents with the depositories, issue and allotment of the Subscription Shares 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 the Board of Directors of the Company be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any committee of the board of directors of the Company or to any one or more directors, officer(s) or authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Director(s) or the Company Secretary or any other officer(s) of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution.”

ITEM NUMBER 5:

TO CONSIDER AND APPROVE ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS TO THE PERSONS FORMING PART OF THE PROMOTER GROUP.

TO CONSIDER AND, IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION.

“RESOLVED THAT pursuant to sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof for the time being in force) (“the Act”) and the enabling provisions of the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR), Regulations”) and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI (Takeover) Code”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India (“GOI”), Reserve Bank of India (“RBI”), the Registrar of Companies (the “ROC”), Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and the Stock Exchanges where the shares of the Company are listed (“Stock Exchanges”) and/or any other competent authorities (hereinafter referred to as ‘Applicable Regulatory Authorities’) to the extent applicable, the Listing Agreements entered into by the Company with the Stock Exchanges and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be



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agreed to by the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution or any person authorised by the Board or its committee for such purpose) and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time, in one or more tranches upto 30,00,014 (Thirty Lakhs & Fourteen) Fully Convertible Warrants ("Warrants/ Convertible Warrants") for cash at an issue price of Rs. 115.45/- (Rupees One Hundred Fifteen Rupees & Forty-Five Paisa Only) per warrant including a premium of Rs. 105.45/- (Rupees One Hundred Five Rupees & Forty-Five Paisa Only) per warrant with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up Equity Share of face value of Rs. 10/- (Rupees Ten) each of the Company ("Equity Shares") within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to Rs. 34,63,51,616.30 [Rupees Thirty Four Crore Sixty Three Lakhs Fifty One Thousand Six Hundred Sixteen & Thirty Paisa Only] to the proposed allottees as mentioned below on preferential basis for cash and in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations and SEBI Takeover Regulations or other applicable laws and on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval or consent from the members.

Sr #	Name of the Proposed Allottee	Category	Maximum No. of warrants proposed to be issued and allotted
1	Jaikaran Jaspalsingh Chandock	Promoter Group	15,32,882
2	Trimaan Jaspalsingh Chandock	Promoter Group	14,67,132
Total			30,00,014

"RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Warrants is **Wednesday 14th June 2023** i.e., 30 days prior to the date of Passing of the Special Resolution."

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

- An amount equivalent to 25% of the Warrant Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of Equity Shares pursuant to exercise of the right attached to Warrants to subscribe to Equity Shares. The amount paid against Warrants shall be adjusted/set-off against the issue price for the resultant Equity Shares;
- Each Warrant held by the Proposed Allottee shall entitle each of them to apply for and obtain allotment of 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten Only) at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment of warrants (the "Warrant Exercise Period");
- The Warrants, being allotted to the Proposed Allottees and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock in for such period as may be prescribed under the SEBI ICDR Regulations;
- The Warrants shall be allotted in dematerialized form within a period of 15 (Fifteen) days from the date of passing of this shareholders resolution, provided that where the allotment of warrants is subject to receipt of any approval(s) or permission(s) 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 approval or permission;
- The price determined above and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time;



- f) The Warrants and the equity shares be allotted on exercise of the warrants under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under;
- g) The right attached to Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be converted along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of Equity Shares in dematerialized form as per SEBI ICDR Regulations;
- h) The Equity Shares to be allotted on exercise of the Warrants shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- i) In the event the Warrant holder does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited;
- j) The said Warrants by themselves until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.
- k) The Equity Warrants proposed to be issued shall be subject to appropriate adjustment, if during the interim period, the Company makes any issue of equity shares by way of capitalization of profits or reserves, upon demerger/ realignment, rights issue or undertakes consolidation/ sub-division/ re-classification of equity shares or such other similar events or circumstances requiring adjustments as permitted under SEBI (ICDR) Regulations and all other applicable regulations from time to time.
- l) The Equity Shares arising from the exercise of the Equity Warrants will be listed on Stock Exchanges where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals, as the case may be, and shall inter-alia be governed by the regulations and guidelines issued by SEBI or any other statutory authority;

“RESOLVED FURTHER THAT the Board Directors be and is hereby authorized to make an offer to the proposed allottees through private placement offer cum application letter (In the format of ‘Form PAS-4’) immediately after passing of this resolution with a stipulation that allotment would be made only upon receipt of in-principle approval from the stock exchanges.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option by the warrant holder(s).”

“RESOLVED FURTHER THAT pursuant to the provisions of SEBI ICDR Regulations, 2018 and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the warrants, as it may, in its sole and absolute discretion deem fit within the scope of this approval of Members and to record the name and details of the Proposed Allottee in Form PAS-5 and to make an offer to the Allottee through private placement offer cum application letter in Form PAS- 4 as prescribed under the Companies Act, 2013, without being required to seek any further Consent or Approval of the Members.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable 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 and to authorize 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 warrants and the Equity Shares on conversion of warrants and application for in-principle approval, listing approval thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, digitally sign and filing requisite documents with the Ministry of Corporate Affairs and other regulatory authorities, filing of requisite documents with the depositories, issue and allotment of the Subscription Shares 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 the Board of directors of the Company be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any committee of the board of directors of the Company or to any one or more directors, officer(s) or authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Director(s) or the Company Secretary or any other officer(s) of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution.”

For Balu Forge Industries Limited

Tabassum Begum
Company Secretary & Compliance Officer
Membership No.: A58602
Date: 21st June 2023



BALU FORGE INDUSTRIES LTD

CIN: L29100MH1989PLC255933

506, Imperial Palace, 45 Telly Park Road, Andheri East, Mumbai – 400 069, India
M: 8655075578 **E:** sales@baluindustries.com / compliance@baluindustries.com **W:** www.baluindustries.com

NOTES TO THE NOTICE: -

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under the accompanying Notice, is annexed hereto.
2. With Reference to General Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and pursuant to Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD1/ CIR/ P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/ CFD/CMD2/ CIR /P/2021/11 dated January 15, 2021 and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations/SEBI Listing Regulations"), the Extra Ordinary General Meeting of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the EOGM shall be the Registered Office of the Company.
3. Notice Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 respectively, as the EOGM shall be conducted through VC/OAVM, the facility for appointment of proxy by the members to attend and cast vote for the members is not available for this EOGM and hence the proxy form and attendance slip including Route map are not annexed to the Notice. However, in pursuance of Section 113 of the Companies Act, 2013, the Body Corporate member/ institutional members are entitled to appoint authorised representatives to attend the EOGM through VC/ OAVM and participate and cast their votes through e-voting. Accordingly, Institutional /Corporate Members are requested to send a scanned copy (PDF/ JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the EOGM, pursuant to Section 113 of the Act, at compliance@baluindustries.com.
4. In line with the General Circular No. 14/2020 dated April 08, 2020, General Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021 Circular No. 02/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 respectively, issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/ CFD/CMD1/CIR/ P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR /P/2021/11 dated January 15, 2021 and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, owing to the difficulties involved in dispatching of physical copies, Notice of EOGM are being sent in electronic mode to Members whose names appear on the Register of Members/ List of Beneficial owners as received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") and whose email address is available with the Company or the Depository Participants or RTA of the Company as on Friday, 16th June 2023.
5. The Members can join the EOGM 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 EOGM 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 EOGM without restriction on account of first come first served basis.

6. The Notice calling the EOGM has been uploaded on the website of the Company at <https://www.baluindustries.com/shareholders-information.php>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The EOGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the EOGM) i.e. www.evoting.nsdl.com.
7. The attendance of the Members attending the EOGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. 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 EOGM. 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 e-voting during the EOGM will be provided by NSDL.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EOGM has been uploaded on the website of the Company at www.baluindustries.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited and the EOGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual reports, Notices, Circulars, etc. from the Company electronically
13. Members are requested to notify immediately change of address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and Satellite Corporate Services Private Limited (RTA), or to the Company at its Registered Office in respect of their physical shares.
14. EOGM 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.
15. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut of date **Friday 07th July 2023**. Any persons, who acquires shares of the Company and become member of the Company after dispatch of the notice and



holding shares as of the cut-off date i.e. **Friday 07th July 2023**, may obtain the login ID and password by sending a request at Issuer/ RTA.

16. A member may participate in the EOGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the EOGM & A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the EOGM.
17. The Board of Directors in their meeting held on **21st June 2023** have appointed **Mr. Jaymin Modi, Practising Company Secretaries** as the Scrutinizer for the e-voting and remote e-voting process in a fair and transparent manner.
18. The Chairman shall, at the EOGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e- voting" for all those members who are present at the EOGM but have not cast their votes by availing the remote e-voting facility and The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e- voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the EOGM, a consolidated scrutinizer report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forth with.
19. The Result declared along with the report of the scrutinizer shall be placed on the website of the Company <https://www.baluindustries.com/shareholders-information.php> and on the website of the Stock Exchange.
20. A Copy of Memorandum and Articles of Association & Article of Association and other necessarily documents of the Company pursuant to Section 102 of the Companies Act, 2013 are open for inspection for the shareholders in electronic mode. Members can inspect the same by sending an email to compliance@baluindustries.com till the last day of voting.

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

The remote e-voting period begins on **Monday 10th July 2023** at **09:00 am** IST and ends on **Thursday 13th July 2023** at **05:00 pm** IST. 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. **Friday 07th July 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 **Friday 07th July 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:



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506, Imperial Palace, 45 Tolly Park Road, Andheri East, Mumbai – 400 069, India
M: 8655075578 E: sales@baluindustries.com/ compliance@baluindustries.com W: www.baluindustries.com

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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



	<p>period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below :



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

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - 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'.
 - 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:

- 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.
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- 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?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.



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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 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 info@csjmco.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Sagar S. Gudhate at 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 compliance@baluindustries.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 compliance@baluindustries.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 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 EOGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EOGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EOGM 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 EOGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EOGM. However, they will not be eligible to vote at the EOGM.
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 EOGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EOGM 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" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join 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. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send request from their registered e-mail address mentioning their name, demat account number / folio number, e-mail id, mobile number at compliance@baluindustries.com from **Monday 10th July 2023 at 09:00 am IST to Thursday 13th July 2023 at 05:00 pm IST** Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the EOGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EOGM.

For Balu Forge Industries Limited

Tabassum Begum
Company Secretary & Compliance Officer
Membership No.: A58602
Date: 21st June 2023



BALU FORGE INDUSTRIES LTD

CIN: L29100MH1989PLC255933

506, Imperial Palace, 45 Telly Park Road, Andheri East, Mumbai – 400 069, India
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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**ITEM NUMBER 1**

The present Authorised Share Capital of the Company is Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 9,00,00,000 (Nine Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each. Considering the increased fund requirements and future plans of the Company, the Board at its Meeting held on Wednesday 21st June 2023 had accorded its approval for increasing the Authorised Share Capital from Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 9,00,00,000 (Nine Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,10,00,00,000 (Rupees One Hundred & Ten Crore only) divided into 11,00,00,000 (Eleven Crore) Equity Shares having face value of Rs. 10/- (Rupees Ten only) each subject to shareholder's approval.

Hence, it is proposed to increase the Authorised Share Capital of the Company from Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 9,00,00,000 (Nine Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,10,00,00,000 (One Hundred & Ten Crore only) divided into 11,00,00,000 (Eleven Crore) Equity Shares having face value of Rs. 10/- (Rupees Ten only) each and the new shares shall be ranking pari-passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association would also require alteration/substituted so as to reflect the altered Authorised Share Capital. The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of shareholders.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection at Corporate Office of the Company between 11:00 AM and 1:00 PM on all working days between Monday to Friday of every week, up to the date of close of remote e-voting period.

The Board of directors, accordingly, recommends the passing of Ordinary Resolution as set out at Item No. 1 of this Notice, for the approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, whether directly or indirectly, in the resolution mentioned at Item Number 1 of the Notice except to the extent of their shareholding in the Company.

ITEM NUMBER 2

The Company proposes to expand its business activities in the areas in which it operates. and consequently, it would be necessary to alter its Main Object and Incidental and ancillary to the Main Object to attainment of the Main Object. The Board of Directors of the Company is in the view that the activities of the Company should be in consonance to the main objects of the Company. Therefore, the Board of Directors of the Company seeks your approval for alteration of the Object Clause of the Memorandum of Association of the Company.

The Board at its meeting held on 21st June 2023, has approved the addition / amendment in the Object Clause of the Memorandum of Association of the Company, subject to the approval of the shareholders of the Company in forthcoming Extraordinary General meeting.

Section 13, 110 of the Companies Act 2013 read with Companies (Management and Administration) Rules, 2014, stipulates that the Object Clause of Memorandum of Association can only be altered with the approval of shareholders by way of special resolution. The aforesaid items of business required to be transacted by means of postal ballot, alternatively may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section



108. Accordingly, it is proposed to obtain the shareholders' approval for the Alteration of the Object clause of the Memorandum of Association.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection at Corporate Office of the Company between 11:00 AM and 1:00 PM on all working days between Monday to Friday of every week, up to the date of close of remote e-voting period.

The Board of Directors recommends the passing of Special Resolution as set out at Item No. 2 of this Notice, for the approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, whether directly or indirectly, in the resolution mentioned at Item Number 2 of the Notice except to the extent of their shareholding in the Company.

ITEM NUMBER 3

The Board of Directors in their meeting held on Tuesday 09th May 2023 considered the proposal for Direct Listing of the Company at National Stock Exchange of India Limited. Therefore, as stated above in the resolution item number 3 Clause II 7A is proposed to be inserted In the Article of Association of the Company to adhere to listing requirements as per the Securities Contracts (Regulation) Act, 1956 and Securities Contracts (Regulations) Rule, 1957 & amendment made thereunder, on the Respective Stock Exchanges and/or as per the requirements laid down by any other competent authority. Pursuant to the provisions of Section 14 of the Companies Act, 2013, alteration of articles of association requires approval of the members of the Company by way of a Special Resolution at a general meeting.

The Board of Directors at their meeting held on Wednesday 21st June 2023, approved the alteration in the Article of Association of the Company as set out in Item Number 3 of the notice, subject to the approval of members of the Company:

A copy of the Articles of Association of the Company duly amended will be available for inspection in the manner provided in the Notes of the Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, whether directly or indirectly, in the resolution mentioned at Item Number 3 of the Notice except to the extent of their shareholding in the Company.

ITEM NUMBER 4

The Company is in the business of manufacturing of any type of crankshaft in a large range of applications namely Automotive, Agricultural, Marine & Industrial etc. and to support the expansion of business by undertaking backward integration, acquisition of machinery and for general corporate purposes and to meet with the enhancement working capital requirements on account of expansion requires infusion of funds. Such fund requirements can be met by the Company either through raising of capital or borrowed fund or combination of both. Hence, to ensure the smooth flow of the business, the Board of Directors of the Company at their meeting held on Wednesday 21st June 2023, subject to the necessary approvals, considered and approved raising of funds by issue of Equity Shares up to 1,37,27,000 (One Crore Thirty-Seven Lakhs Twenty-Seven Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each for cash at a premium of Rs. 105.45/- (Rupees One Hundred Five & Forty-Five Paise Only) per share total aggregating to Rs. 1,58,47,82,150/- (Rupees One Hundred Fifty-Eight Crore Forty-Seven Lakhs Eighty-Two Thousand One Hundred & Fifty only) on preferential basis pursuant to sections 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the SEBI (ICDR) Regulations and the SEBI (LODR) Regulations as amended from time to time and subject to approval of shareholders.



Hence, the Board of Directors of your Company recommends the resolution for approval of the shareholders in form of Special Resolution in the best interests of the Company.

The Company is otherwise eligible to make the Preferential Issue in terms of the provisions of Chapter V of the SEBI (ICDR) Regulations. There will be no change in the control or management of the Company pursuant to the proposed preferential issue. Consequent to the allotment of equity shares, the shareholding of the Promoters and Promoter Group may decrease as per details given in this statement.

Disclosure as required under rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("SEBI (ICDR) Regulations ") are as follows:

1. Objects of the Preferential Issue: The object of the issue are: -

- To purchase and installation of new and existing plant & machinery Not less than Rs. 110,00,00,000/- (Rupees One Hundred and Ten Crores);
- For expansion plans & activities, working capital requirements of the Company-Not less than Rs. 8,97,82,150/- (Rupees Eight Crore Ninety-Seven Lakhs Eighty-Two Thousand One Hundred & Fifty Only);
- To meet general corporate purpose which shall not exceed 25% of the Issue Size i.e. Not exceeding Rs. 39,50,00,000/- (Rupees Thirty-Nine Crore Fifty Lakhs Only).

Any amount in excess unutilised portion of the receipt under general corporate purpose will be utilised by the Company for meeting its working capital requirement. The said proceeds will be used within a due course of time. Till the time the proceeds are not utilised by the Company, it will be kept in the Bank Account of the Company.

2. The total/maximum number of securities to be issued/particulars of the offer/Kinds of securities offered and the price at which security is being offered number of securities to be issued and pricing:

The resolution set out in the accompanying notice authorises the Board to create, offer, issue, and allot from time to time, in one or more tranches up to 1,37,27,000 (One Crore Thirty-Seven Lakhs Twenty-Seven Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each for cash a premium of Rs. 105.45/- (Rupees One Hundred Five & Forty-Five Paise Only) per share total aggregating to Rs. 1,58,47,82,150/- (Rupees One Hundred Fifty-Eight Crore Forty-Seven Lakhs Eighty-Two Thousand One Hundred & Fifty Only) on preferential and private placement basis and resolution for the same has been passed by the Board of Directors in their meeting held on Wednesday 21st June 2023.

3. Issue Price, Relevant Date and the Basis or justification on which the price has been arrived at or offer/invitation is being made:

The Equity Shares of the Company is listed exclusively on BSE Limited and the Equity Shares are frequently traded.

As per the provisions of Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Equity Shares will be issued at a price of Rs. 115.45/- (Rupees One Hundred Fifteen Rupees & Forty-Five Paise Only) per share which is not less than the higher of the following:

- a. Rs. 98.35/- per Share being the 90 Trading days volume weighted average price of the Company's shares quoted on the Stock Exchange (BSE Limited) preceding the Relevant Date; or



b. Rs. 115.33/- per Share being the 10 Trading days volume weighted average prices of the Company's shares quoted on the Stock Exchange (BSE Limited) preceding the Relevant Date;

The Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Equity Shares is **Wednesday 14th June 2023** i.e., 30 days prior to the date of Passing of the Special Resolution in the Extraordinary General Meeting.

The Articles of Association of the issuer does not provide for a method of determination which results in a floor price higher than that determined under ICDR Regulations, 2018.

The Calculation of minimum issue price as prescribed under Chapter V of SEBI (ICDR) Regulations, 2018 as issued by M/s. Jaymin Modi & Co, Practicing Company Secretary can also be accessed on the company website on the following link <https://www.baluindustries.com/shareholders-information.php>

4. Name and Address of Valuer who performed Valuation:

Not Applicable

5. Amount which the Company intends to raise by way of issue of Equity Shares:

Up to Rs. 1,58,47,82,150/- (Rupees One Hundred Fifty-Eight Crore Forty-Seven Lakhs Eighty-Two Thousand One Hundred & Fifty Only).

6. Principal terms of Assets charged as securities:

Not Applicable

7. Intention/ Contribution of promoters / directors / key managerial personnel to subscribe to the offer:

None of the existing Directors or Key Managerial Personnel or Promoters intends to subscribe to the proposed issue of Equity Shares on preferential allotment of Equity Shares.

8. The shareholding pattern of the Company before the proposed issue and after the proposed issue of Equity Shares as follows:

Please refer "Annexure – A" to this Explanatory Statement for details.

9. Proposed time schedule/ time frame within which the allotment/ preferential issue shall be completed:

The allotment of Equity Shares shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval(s) or permission(s).

10. Change in control, if any, in the Company that would occur consequent to the preferential offer/issue:

There shall be no change in management or control of the Company pursuant to the issue and allotment of equity shares.



11.No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the current financial year i.e. from April 01, 2023, no preferential allotment has been made to any person by the Company.

12.Valuation for consideration other than cash:

Not applicable.

13.The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer OR where the specified securities are issued on a preferential basis for consideration other than cash, the valuation of the assets in consideration for which the equity shares are issued shall be done by an independent valuer, which shall be submitted to the stock exchanges where the equity shares of the issuer are listed:

Not applicable.

14.Lock-in:

The Equity Shares shall be subject to a lock-in for such period as specified under applicable provisions of the SEBI (ICDR) Regulations.

15.Listing:

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

16.Certificate:

As required in Regulation 163(2) of the SEBI (ICDR) Regulations, a certificate from a Practicing Company Secretary, certifying that the issue is being made in accordance with the requirements of the SEBI (ICDR) Regulations, will be kept open for inspection at the Registered Office of the Company between 11:00 AM and 1:00 PM on all working days between Monday to Friday of every week, up to the date of close of remote e-voting period. The certificate of M/s. Jaymin Modi & Co practising company secretary can also be accessed on the company website on the following link <https://www.baluindustries.com/shareholders-information.php>

17.Undertakings:

The Company hereby undertakes that:

- i. It would re-compute the price of the securities specified above in terms of the provisions of SEBI(ICDR) Regulations, where it is so required;
- ii. If the amount payable, if any, on account of the re-computation of price is not paid within the stipulated in SEBI (ICDR) regulations the above Equity shares shall be continued to be locked in till such amount is paid by the allottees;
- iii. All the equity shares held by the proposed allottees in the company are in dematerialized form only;

18.Disclosures specified in Schedule VI of the SEBI (ICDR) Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower:

It is hereby confirmed that, neither the Company nor its promoters or directors is a wilful defaulter or a fraudulent borrower as per Regulation 163(1)(i) of Chapter V read with schedule VI of SEBI (Issue



of Capital and Disclosure Requirements) Regulations, 2018. Further, none of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

19. Identity of proposed allottees the percentage (%) of Post Preferential Issue Capital that may be held by them and Change in Control, if any, consequent to the Preferential issue and the Current and proposed status of the allottee(s) post preferential issues namely, promoter or non-promoter:

Sr. #	Name of the proposed allottee	Pre- issue Category	Name of the natural persons who are the ultimate beneficiaries	Pre-Issue Holding		No. of shares to be issued	Shareholding post allotment of Equity & Warrants		Post- issue Category
				No. of Equity Shares	% of Holding		No. of Equity Shares	% of Holding	
1	Ashish Rameshchandra Kacholia	Non-Promoter	NA	Nil	0.00%	21,65,500	21,65,500	2.16	Non-Promoter
2	Bengal Finance And Investment Private Limited	Non-Promoter	Suresh Kumar Agarwal	Nil	0.00%	21,65,500	21,65,500	2.16	Non-Promoter
3	Sageone-Flagship Growth Fund 2	Non-Promoter	NA	Nil	0.00%	18,00,000	18,00,000	1.80	Non-Promoter
4	Vanaja Sundar Iyer, Sundar Iyer	Non-Promoter	NA	Nil	0.00%	18,00,000	18,00,000	1.80	Non-Promoter
5	Shrem Investments Private Limited	Non-Promoter	Nitan Chhatwal Smita Nitán Chhatwal	Nil	0.00%	15,00,000	15,00,000	1.50	Non-Promoter
6	Rathod Management Consultancy LLP	Non-Promoter	Ajaykumar Gunvantrai Shah	Nil	0.00%	11,50,000	11,50,000	1.15	Non-Promoter
7	Rikeen P Dalal, Karta of Rikeen P Dalal HUF	Non-Promoter	Rikeen Pradip Dalal Sejal Rikeen Dalal Ronil Rikeen Dalal Rayan Rikeen Dalal	Nil	0.00%	7,00,000	7,00,000	0.70	Non-Promoter
8	Zenith Multi Trading DMCC	Non-Promoter	Hari Shankar Tibrewala	Nil	0.00%	5,50,000	5,50,000	0.55	Non-Promoter
9	Ashika Global Finance Private Limited	Non-Promoter	Daulat Jain	Nil	0.00%	5,00,000	5,00,000	0.50	Non-Promoter
10	Foresight Holdings Private Limited	Non-Promoter	Salim Govani Sausan Bukhari	Nil	0.00%	5,00,000	5,00,000	0.50	Non-Promoter
11	Triveni Trust (Mahendra Kumar Dhanuka,	Non-Promoter	Mahendra Kumar Dhanuka	Nil	0.00%	4,50,000	4,50,000	0.45	Non-Promoter



	Rahul Dhanuka, Mridul Dhanuka are Beneficiaries)		Rahul Dhanuka Mridul Dhanuka						
12	Dilip P Bhat	Non-Promoter	NA	Nil	0.00%	1,73,000	1,73,000	0.17	Non-Promoter
13	Padigree Advisory Private Limited	Non-Promoter	Dilip P Bhat Payal Sanghavi	Nil	0.00%	1,73,000	1,73,000	0.17	Non-Promoter
14	Payal Sanghavi	Non-Promoter	NA	Nil	0.00%	1,00,000	1,00,000	0.10	Non-Promoter

**The post-issue shareholding as shown above is calculated assuming full subscription and allotment of the equity shares & warrants & full conversion of warrants in to Equity shares.*

In accordance with the provisions of the Companies Act, 2013 read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations, 2018, approval of the members for the issue and allotment of the said equity shares to the above mentioned allottees is being sought by way of a special resolution as set out in the said items of the notice. The issue of equity shares would be within the increase in the Authorised Share Capital of the Company as proposed under Item No. 1.

The Board of Directors of the Company believe that the proposed issue is in the best interest of the Company and therefore board recommends the Special Resolution as set out in Item Number 4 in the accompanying notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, whether directly or indirectly, in the resolution mentioned at Item Number 4 of the Notice except to the extent of their shareholding.

ITEM NUMBER 5

The Company is in the business of manufacturing of any type of crankshaft in a large range of applications namely Automotive, Agricultural, Marine & Industrial etc. and to support the expansion of business by undertaking backward integration, acquisition of machinery and for general corporate purposes and to meet with the enhancement working capital requirements on account of expansion requires infusion of funds. Such fund requirements can be met by the Company either through raising of capital or borrowed fund or combination of both. Hence, to ensure the smooth flow of the business, the Board of Directors of the Company at their meeting held on Wednesday 21st June 2023, subject to the necessary approvals, considered and approved raising of funds by issue of Equity Shares up to 30,00,014 (Thirty Lakhs & Fourteen) Fully Convertible Warrants ("Warrants/ Convertible Warrants") for cash at an issue price of Rs. 115.45/- (Rupees One Hundred Fifteen Rupees & Forty-Five Paise Only) per warrant including a premium of Rs. 105.45/- (Rupees One Hundred Five Rupees & Forty-Five Paise Only) per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of face value of Rs. 10/- (Rupees Ten) each of the Company ("Equity Shares") within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to Rs. 34,63,51,616.30 [Rupees Thirty Four Crore Sixty Three Lakhs Fifty One Thousand Six Hundred Sixteen & Thirty Paise Only] to the proposed allottees as mentioned below on preferential basis pursuant to sections 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the SEBI (ICDR) Regulations and the SEBI (LODR) Regulations as amended from time to time and subject to approval of shareholders.

Hence, the Board of Directors of your Company recommends the resolution for approval of the shareholders in form of Special Resolution in the best interests of the Company.



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The Company is otherwise eligible to make the Preferential Issue in terms of the provisions of Chapter V of the SEBI (ICDR) Regulations. There will be no change in the control or management of the Company pursuant to the proposed preferential issue. Consequent to the allotment of Warrants/ Convertible Warrants, the shareholding of the Promoters and Promoter Group may decrease as per details given in this statement.

Disclosure as required under rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("SEBI (ICDR) Regulations ") are as follows:

1. Objects of the Preferential Issue: The object of the issue is: -

- For expansion plans & activities & working capital requirements of the Company-Not less than Rs. 26,13,51,616/- [Twenty-Six Crore Thirteen Lakhs Fifty-One Thousand Six Hundred & Sixteen Only].
- To meet general corporate purpose which shall not exceed 25% of the Issue Size i.e. Not exceeding Rs. 8,50,00,000/- (Rupees Eight Crore & Fifty Lakhs Only).

Any amount in excess unutilised portion of the receipt under general corporate purpose will be utilised by the Company for meeting its working capital requirement. The said proceeds will be used within a due course of time. Till the time the proceeds are not utilised by the Company, it will be kept in the Bank Account of the Company.

2. The total/maximum number of securities to be issued/particulars of the offer/Kinds of securities offered and the price at which security is being offered number of securities to be issued and pricing:

The resolution set out in the accompanying notice authorises the Board to create, offer, issue and allot from time to time, in one or more tranches up to 30,00,014 (Thirty Lakhs & Fourteen) Fully Convertible Warrants ("Warrants/ Convertible Warrants") for cash at an issue price of Rs. 115.45/- (Rupees One Hundred Fifteen & Forty-Five Paise Only) per warrant including a premium of Rs. 105.45/- (Rupees One Hundred Five Rupees & Forty-Five Paise Only) per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of face value of Rs. 10/- (Rupees Ten) each of the Company ("Equity Shares") within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to Rs. 34,63,51,616.30 [Rupees Thirty-Four Crore Sixty-Three Lakhs Fifty-One Thousand Six Hundred Sixteen & Thirty Paise Only] on preferential and private placement basis and resolution for the same has been passed by the Board of Directors in their meeting held on Wednesday 21st June 2023.

3. Issue Price, Relevant Date and the Basis or justification on which the price has been arrived at or offer/invitation is being made:

The Equity Shares of the Company is listed exclusively on BSE Limited and the Equity Shares are frequently traded.

As per the provisions of Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Equity Shares will be issued at a price of Rs. 115.45/- (Rupees One Hundred Fifteen Rupees & Forty-Five Paise Only) per share which is not less than the higher of the following:

- a. Rs. 98.35/- per Share being the 90 Trading days volume weighted average price of the Company's shares quoted on the Stock Exchange (BSE Limited) preceding the Relevant Date; or
- b. Rs. 115.33/- per Share being the 10 Trading days volume weighted average prices of the Company's shares quoted on the Stock Exchange (BSE Limited) preceding the Relevant Date;



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The Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Equity Shares is **Wednesday 14th June 2023** i.e., 30 days prior to the date of Passing of the Special Resolution in the Extraordinary General Meeting.

The Articles of Association of the issuer does not provide for a method of determination which results in a floor price higher than that determined under ICDR Regulations, 2018.

The Calculation of minimum issue price as prescribed under Chapter V of SEBI (ICDR) Regulations, 2018 as issued by M/s. Jaymin Modi & Co, Practicing Company Secretary can also be accessed on the company website on the following link <https://www.baluindustries.com/shareholders-information.php>

4. Name and Address of Valuer who performed Valuation:

Not Applicable

5. Amount which the Company intends to raise by way of issue of Warrants/ Convertible Warrants:

Upto Rs. 34,63,51,616.30 [Rupees Thirty-Four Crore Sixty-Three Lakhs Fifty One Thousand Six Hundred Sixteen & Thirty Paise Only].

6. Material terms of issue of Warrants/ Convertible Warrants:

The issue of Warrants shall be subject to the following terms and conditions:

i. An amount equivalent to 25% of the Warrant Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of Equity Shares pursuant to exercise of the right attached to Warrants to subscribe to Equity Shares. The amount paid against Warrants shall be adjusted/set-off against the issue price for the resultant Equity Shares;

ii. Each Warrant held by the Proposed Allottee shall entitle each of them to apply for and obtain allotment of 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten Only) at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment of warrants (the "Warrant Exercise Period");

iii. The Warrants, being allotted to the Proposed Allottees and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock in for such period as may be prescribed under the SEBI ICDR Regulations;

iv. The Warrants shall be allotted in dematerialized form within a period of 15 (Fifteen) days from the date of passing of this shareholders resolution, provided that where the allotment of warrants is subject to receipt of any approval(s) or permission(s) 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 approval or permission;

v. The price determined above and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time;

vi. The Warrants and the equity shares be allotted on exercise of the warrants under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under;



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vii. The right attached to Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be converted along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of Equity Shares in dematerialized form as per SEBI ICDR Regulations;

viii. The Equity Shares to be allotted on exercise of the Warrants shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

ix. In the event the Warrant holder does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited.

x. The said Warrants by themselves until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.

xi. The Equity Warrants proposed to be issued shall be subject to appropriate adjustment, if during the interim period, the Company makes any issue of equity shares by way of capitalization of profits or reserves, upon demerger/ realignment, rights issue or undertakes consolidation/ sub-division/ re-classification of equity shares or such other similar events or circumstances requiring adjustments as permitted under SEBI (ICDR) Regulations and all other applicable regulations from time to time.

xii. The Equity Shares arising from the exercise of the Equity Warrants will be listed on Stock Exchanges where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals, as the case may be, and shall inter-alia be governed by the regulations and guidelines issued by SEBI or any other statutory authority.

7. Principal terms of Assets charged as securities:

Not Applicable

8. Intention/ Contribution of promoters/directors/key managerial personnel to subscribe to the offer:

Mr. Trimaan Jaspalsingh Chandock and Mr. Jaikaran Jaspalsingh Chandock, persons forming part of the promoter group will subscribe to the said warrants and apart from them no promoters, other persons forming part of Promoter Group, directors, key managerial personnel propose to participate in the offer.

9. The shareholding pattern of the Company before the proposed issue and after the proposed issue of Equity Shares as follows:

Please refer “Annexure – A” to this Explanatory Statement for details.

10. Proposed time schedule/ time frame within which the allotment/ preferential issue shall be completed:

The allotment of Warrants shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval(s) or permission(s). Further, upon exercise of the option by the allottee to convert the warrants, the



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company will ensure that the allotment of equity shares pursuant to exercise of warrants should be completed within 15 days from the date of such exercise by the allottee.

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

There shall be no change in management or control of the Company pursuant to the issue and allotment of equity shares.

12. No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the year i.e., from April 01, 2023, no preferential allotment has been made to any person by the Company.

13. Valuation for consideration other than cash:

Not applicable.

14. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer OR Where the specified securities are issued on a preferential basis for consideration other than cash, the valuation of the assets in consideration for which the equity shares are issued shall be done by an independent valuer, which shall be submitted to the stock exchanges where the equity shares of the issuer are listed:

Not applicable.

15. Lock-in:

The Equity Shares to be allotted on conversion of warrants shall be subject to a lock-in for such period as specified under applicable provisions of the SEBI (ICDR) Regulations

16. Listing:

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

17. Certificate:

As required in Regulation 163(2) of the SEBI (ICDR) Regulations, a certificate from a Practicing Company Secretary, certifying that the issue is being made in accordance with the requirements of the SEBI (ICDR) Regulations, will be kept open for inspection at the Registered Office of the Company between 11:00 AM and 1:00 PM on all working days between Monday to Friday of every week, up to the date of close of remote e-voting period. The certificate of the practising company secretary can also be accessed on the company website on the following link <https://www.baluindustries.com/shareholders-information.php>

18. Undertakings:

The Company hereby undertakes that:

- i. It would re-compute the price of the securities specified above in terms of the provisions of SEBI(ICDR) Regulations, where it is so required;



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- ii. If the amount payable, if any, on account of the re-computation of price is not paid within the stipulated in SEBI (ICDR) regulations the above Equity shares shall be continued to be locked in till such amount is paid by the allottees;
- iii. All the equity shares held by the proposed allottees in the company are in dematerialized form only;

19. Disclosures specified in Schedule VI of the SEBI (ICDR) Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower:

It is hereby confirmed that, neither the Company nor its promoters or directors is a wilful defaulter or a fraudulent borrower as per Regulation 163(1)(i) of Chapter V read with schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, none of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

20. Identity of proposed allottees (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/ or who ultimately control), the percentage (%) of Post Preferential Issue Capital that may be held by them and Change in Control, if any, consequent to the Preferential issue and the Current and proposed status of the allottee(s) post preferential issues namely, promoter or non-promoter:

Sr. No.	Name of the proposed allottee	Pre-issue Category	Name of the natural persons who are the ultimate beneficial owners	Pre-Issue Holding		No. of Warrants to be issued	Shareholding post allotment of Equity and exercise of warrants*		Post-issue Category
				No. of Equity Shares	% of Holding		No. of Equity Shares	% of Holding	
1	Trimaan Jaspalsingh Chandok	Promoter Group	NA	75,900	0.09	14,67,132	15,43,032	1.54	Promoter Group
2	Jaikaran Jaspalsingh Chandok	Promoter Group	NA	10,150	0.01	15,32,882	15,43,032	1.54	Promoter Group

**Post Issue % Holding is calculated on post issue capital of the Company i.e. after allotment of existing issue of Equity shares & Warrants.*

In accordance with the provisions of the Companies Act, 2013 read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations, 2018, approval of the members for the issue and allotment of the said convertible equity warrants to the above mentioned allottees is being sought by way of a special resolution as set out in the said items of the notice. The issue of equity shares upon the conversion of the warrants would be within the Authorised Share Capital of the Company.

Mr. Trimaan Chandok, Mr. Jaikaran Chandok, being proposed allottees, their relatives and the other Promoters and their relatives are concerned or interested, financially or otherwise in this resolution to the extent of issue of securities made to them on preferential basis and no other directors and Key Managerial Personnel and their relatives are concerned or interested in the proposed resolution.



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The Board of Directors of the Company believe that the proposed issue is in the best interest of the Company and therefore board recommends the Special Resolution as set out in Item Number 5 in the accompanying notice for approval by the Members.

ANNEXURE – A FOR ITEM NUMBER 4 & 5

The shareholding pattern of the Company before the proposed issue and after the proposed issue of Equity Shares as follows:

Sl. #	Category	Pre-issue shareholding		Post- issue shareholding	
		No. of Equity Shares	% Of Shareholding	No. of Equity Shares	% Of Shareholding
A	Promoters and Promoter Group Holding				
1	Indian				
	Individual	5,45,26,060.00	65.41	5,75,26,074.00	57.47
	Sub Total	5,45,26,060.00	65.41	5,75,26,074.00	57.47
2	Foreign	-	-	-	-
	Sub Total (A)	5,45,26,060.00	65.41	5,75,26,074.00	57.47
B	Non-Promoter Holding				
B1	Institutions				
1	Institutions Domestic				
1.a	Foreign Portfolio Investors Category I	12,62,651.00	1.51	12,62,651.00	1.26
1.b	Foreign Portfolio Investors Category II	18,80,000.00	2.26	18,80,000.00	1.88
1.c	Alternate Investment Fund Category III	-	-	18,00,000.00	1.80
	Sub Total (B1)	31,42,651.00	3.77	49,42,651.00	4.94
B2	Non – Institutions				
1	Individuals (share Capital up to Rs. 2 lakhs)	50,06,782.00	6.01	50,06,782.00	5.00
2	Individuals (share Capital in excess of Rs. 2 lakhs)	99,89,997.00	11.98	1,42,28,497.00	14.22
3	Non-Resident Indians (NRIs)	5,84,711.00	0.70	5,84,711.00	0.58
4	Bodies Corporate	90,13,079.00	10.81	1,55,51,579.00	15.54
5	Resident Indian HUF	5,30,221.00	0.64	12,30,221.00	1.23
6	Trusts	1,10,790.00	0.13	5,60,790.00	0.56
7	Firms	1,19,495.00	0.14	1,19,495.00	0.12
8	Clearing Members/House	3,41,100.00	0.41	3,41,100.00	0.34
	Sub-Total (B)	2,56,96,175.00	30.82	3,76,23,175.00	37.59
C1	Shares underlying DRs	-	-	-	-
C2	Shares held by Employee Trust	-	-	-	-
C	Non-Promoter – Non-Public	-	-	-	-
	Grand Total [A+B+C]	8,33,64,886.00	100.00	10,00,91,900.00	100.00

Notes:

Details inserted in Post Issue equity shares is assumed after considering the allotment of Equity Shares & conversion of warrants in to Equity Shares allotted upon exercise of right attached to all the Warrants, if any in the event, right for allotment of Share against all or any of the Warrant(s) are not exercised, the Shareholding Pattern shall change correspondingly.



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