



HARISH TEXTILE ENGINEERS LIMITED

CIN: U29119MH2010PLC201521

2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Tel: 022-40373000, E-mail: compliance@harishtextile.com, Website: www.harishtextile.com

NOTICE

NOTICE is hereby given that an Extra-Ordinary General Meeting of the members of Harish Textile Engineers Limited will be held at 11.00 A.M. on Saturday, 21st March, 2020 at the registered office of the Company at 2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai - 400069, to transact the following business:

SPECIAL RESOLUTION:

1. Amendment of Articles of Association of the Company

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

“RESOLVED THAT the existing Article No. II be and is hereby amended by insertion of new Clause II 1(i) and II 1(ii) after the existing Clause No. II as under:

II 1(i) Subject to the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereof as may be applicable from time to time and with the consent of the Members of the Company at a General Meeting by way of Special Resolution, the Board of Directors of the Company or a Committee thereof duly authorised by the Board of Directors may issue and allot Warrants convertible into the Equity Shares on such rate, terms and conditions to the existing shareholders, general public, or on preferential basis to the promoters, directors, bodies corporate, banks, financial institutions, OCBs, NRIs or such other persons from time to time on receipt of at least 25% of the face value of the Warrants, as it may think fit. Board of directors of the Company shall be authorized to make provisions as to the allotment and issue of Warrants and in particular may determine to whom the same shall be offered whether at par or at premium subject to the provisions of the Companies Act, 2013 and all the applicable provisions of the SEBI Regulations.

II 1(ii) The Company may by special resolution authorise the Board to convert warrants into the equity shares at such rates (including premium), terms and conditions as may be determined by the Board and in accordance with the guidelines issued by the SEBI, Stock Exchange, Central Govt. or other authorities either on single trench or otherwise as per the discretion of the Board.

RESOLVED FURTHER THAT existing Article no. 79 be and is hereby amended by the insertion of Article No. 79 (iii) and Article 79(iv) after the existing Clause no. 79 as under:

79(iii) All the dividend if declared by the members shall be appropriated and paid proportionately to the amount paid or credited as paid on the shares on pari passu basis with the existing shareholders for whole of the year in which the shares have been issued and in subsequent years.

79(iv) Where capital is paid up in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such act, deeds, matters and things which may deem necessary in this behalf.”

2. Issue of Equity Shares on Preferential basis to non-Promoter and others outside Investors through cash

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

“RESOLVED THAT pursuant to the provisions of Sections 42 and 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018, and various amendments, modifications and relevant circulars in relation thereto (“Act”) and other applicable laws (including any statutory amendment/s modification/s and/or re-enactment thereof for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the ‘SEBI Listing Regulations’), the listing agreements entered into by the Company with BSE Limited and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the “SEBI (ICDR) Regulations, 2018”) and other applicable regulations / guidelines if any, of Securities and Exchange Board of India (“SEBI”) and such other authorities, and subject to approval of Reserve Bank of India, wherever applicable and such other approvals, permissions, sanctions, consents as may be necessary or expedient under the applicable laws, rules and regulations and subject to such terms, conditions, alterations and modifications as may be considered appropriate by the Board of Directors (hereinafter referred to as the “Board”, which shall include any Committee of Directors), consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more trenches at its sole discretion upto 8,27,328 (Eight Lakhs Twenty-Seven Thousand Three Hundred and Twenty-Eight) Equity Shares of the face value of Rs. 10/- each (Rupees Ten Only) fully paid up at an issue price of Rs. 40/- each (Rupees Forty Only) including Premium of Rs. 30/- each (Rupees Thirty Only) per share aggregating to Rs. 3,30,93,120 (Rs. Three Crore Thirty Lakhs Ninety-Three Thousand One Hundred and Twenty Only) to the following non-Promoter and other outside Investors and others on a preferential basis, in such manner and on such terms and conditions as may be determined by the Board in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018 or any other provisions of law as may be prevailing as on date.

Sr. No.	Name of Applicant alongwith PAN and address	Number of Equity Shares Applied
1.	Rita Mehta PAN-ASYPM2530N Address- 401, Avishkar, S. V. Road, Andheri West, Mumbai – 400058	5,00,000
2.	Rahul Shah PAN-BATPS1142P Address-A/103, Palan Sojpal Building, S K Bole Marg, Dadar West, Mumbai – 400028	1,63,864
3.	Shruti Shah PAN- AWUPS4145E Address-401, Sumitra Sadan, Plot No. 22, Azad Nagar Co-op Hsg Soc., Rd no. 1, JVPD Scheme, Vile Parle(W), Mumbai-400056	1,63,464
	Total	8,27,328

for cash at a price of Rs. 40/- (Rupees Forty only) per share (face value Rs.10/- each and a premium of Rs.30/- per share) on a preferential basis, which price is calculated in accordance with the guidelines for Preferential Issues issued by SEBI under the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws with the relevant date being the date thirty days prior to the date of this Extra-Ordinary General Meeting i.e. 24th February, 2020.

RESOLVED FURTHER THAT the Equity Shares so issued shall rank paripassu with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Equity Shares proposed to be allotted in terms of this resolution shall be subject to the following:

The Equity Shares to be allotted to the Proposed Allottees shall be under lock-in for such period as may be prescribed by the SEBI (ICDR) Regulations, 2018;

Lock-in of specified securities as per Regulation 167 of SEBI (ICDR) Regulation, 2018

- (1) The equity shares allotted on preferential basis to the promoters or promoter group shall be locked-in for a period of three years from the date of trading approval granted for the equity shares:
 - (i) Provided that not more than twenty percent of the total capital of the issuer shall be locked-in for three years from the date of trading approval;
 - (ii) Provided further that equity shares allotted in excess of the twenty percent shall be locked-in for one year from the date of trading approval.
- (2) The securities allotted on a preferential basis to persons other than the promoters and promoter group on preferential basis shall be locked-in for a period of one year from the date of trading approval.
- (3) The entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of trading approval as per Regulation 167(6) of SEBI (ICDR) Regulations, 2018.

- The Equity Shares so allotted to the proposed allottee 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 thereunder;
- Allotment shall only be made in dematerialized form;
- The 'Relevant Date' for the purpose of determining the minimum price of the Equity Shares proposed to be allotted to the above mentioned allottee is February 24, 2020 i.e. being the date which is 30 days prior to the date of this meeting;
- The allotment of Equity Shares is proposed to be completed within a maximum 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 during the financial year shall be entitled to the dividend declared, if any, including other corporate benefits, if any, for which the book closure or the record date falls subsequent to the allotment of Equity Shares.

RESOLVED FURTHER THAT pursuant to the provision of the Companies Act 2013, the names of the Subscribers be recorded for the issue of invitation to subscribe to the Equity Shares and a private placement offer letter in Form No. PAS-4 together with an application form be issued to the Subscribers inviting the Subscribers to subscribe to the Equity Shares, as per the draft tabled at the Meeting and duly initialed by the Chairman for the purpose of identification and consent of the Company is hereby accorded to the issuance of the same to the Subscribers to the Equity shares.

RESOLVED FURTHER THAT the monies received by the Company from the Subscriber for application of the Equity Shares pursuant to this preferential issue shall be kept by the Company in a separate bank account opened by the Company with Bank of India, Chakala Branch and shall be utilized by the Company in accordance with Section 42 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Company do apply for listing of the new equity shares as may be issued with the BSE Ltd.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, desirable or

appropriate to give effect to this resolution in all respect including to seek listing, apply for in principle listing approval of the Equity Shares to be issued and allotted to the above mentioned allottees and to modify, accept and give effect to any modifications in the terms and conditions of the issue(s) as may be they deem fit and in particular to settle any question, difficulty or doubt that may arise with regard to offer, issue, allotment and utilization of the issue proceeds of the Equity Shares of the Company as it may in its absolute discretion deem fit and proper, without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have given approval thereto expressly by the authority of this resolution.”

For & on behalf of the Board
Harish Textile Engineers Limited

Sd/-
Sandeep Gandhi
Managing Director
Din. No.:00941665
Date: 26.02.2020
Place: Mumbai

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRA-ORDINARY GENERAL MEETING (EGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND MUST BE DEPOSITED AT THE OFFICE OF THE REGISTRAR AND SHARE TRANSFER AGENTS OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.
2. Explanatory Statements pursuant to the provisions of Section 102 of the Companies Act, 2013 is annexed.
3. Electronic copy of the EGM notice is being sent to all the members, whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes. For members, who have not registered their email address, physical copies of the EGM notice are being sent in the permitted mode.
4. Members may also note that EGM notice will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.
5. Members/ Proxies should bring the enclosed attendance slip duly filled in, mentioning details of their DP ID and Client ID/Folio No. for attending the meeting.
6. The proxy holder shall provide his identity proof at the time of attending the meeting. The proxies shall be available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.
7. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative(s) to attend and vote in their behalf at the Meeting.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer books of the Company will remain closed from Sunday, the 15th day of March, 2020 to Saturday, the 21st day of March, 2020. (both days inclusive).
9. The Members holding the shares in physical form may obtain the nomination form from the Company's Registrar & Share transfer agent- Bigshare Services Pvt. Ltd. (BSPL) and are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or BSPL for assistance in this regard.
10. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours on all working days except Saturdays and Sundays and public holidays, up to and including the date of the EGM of the Company.
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or BSPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. In case of joint holders attending the EGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014, the Members are requested to provide their e-mail id to the Company or Registrar and Share Transfer Agent in order to facilitate easy and faster dispatch of Notices of the general meetings and other communication by electronic mode from time to time.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, BSPL in case the shares are held by them in physical form.
15. A route map, showing directions to reach the EGM venue is annexed hereto.
16. The voting period commences on 18th March, 2020 (09.00 a.m.) and ends on 20th March, 2020 (5.00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th March, 2020, may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting after 20th March, 2020 (5.00 p.m.). Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
17. Members attending the meeting who have not already cast their vote by remote e- voting shall be able to exercise their right at the meeting and that the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

Voting through electronic means:

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide to the members facility to exercise their right to vote on resolutions proposed to be considered at the Extra-Ordinary General Meeting (EGM) by electronic means and the business may be transacted through e- Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the EGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through poll paper shall be made available at the EGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
- III. The members who have cast their vote by remote e-voting prior to the EGM may also attend the EGM but shall not be entitled to cast their vote again.
- IV. The process and manner for remote e-voting are as under:

A. 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 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL services 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. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to hbupasani@yahoo.co.in, with a copy marked to evoting@nsdl.co.in.
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and remote e-voting user manual for members, available at the downloads Section of www.evoting.nsdl.com or toll free no. 1800-222-990 or send a request at evoting@nsdl.co.in
- B.** In case a Member receives physical copy of the Notice of EGM (for Members whose email addresses are not registered with the Company/Depositories) or requesting physical copy]:
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the EGM:

<u>EVEN (Remote e-voting Event Number)</u>	<u>USER ID</u>	<u>PASSWORD/PIN</u>
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 - ii. Please follow all steps from point A above, to cast vote.

14. Other Instructions:

- i. The remote e-voting period commences on March 18, 2020 (9:00 am IST) and ends on March 20, 2020 (5:00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of March 14, 2020, may cast their vote by remote e-voting. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- iii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of EGM and holding shares as of the cut-off date i.e. March 14, 2020, may obtain the login ID and password by sending a request at www.evoting@nsdl.co.in.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting@nsdl.com or contact NSDL at the following toll free no. 1800-222-990.
- iv. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of March 14, 2020.
- v. 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 voting at the EGM through ballot paper.
- vi. H B Upasani & Co., Practicing Company Secretary (FCS No.4891) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner and he has consented to act as a scrutinizer.
- vii. The Chairman shall, at the EGM, 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 "Ballot Paper" for all those members who are present at the EGM but have not cast their votes by availing the remote e-voting facility.
- viii. 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 forty eight hours of the conclusion of the EGM, a consolidated scrutinizer's report of the total votes cast in favour 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 forthwith.
- ix. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- x. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.harishtextile.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the Extra-Ordinary Meeting of the Company on March 21, 2020 and communicated to the BSE Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Following explanatory statement sets out all the material facts relating to the special business mentioned in the notice dated 26th February, 2020 convening the Extra-Ordinary General Meeting on 21st March, 2020.

Item No.1

New Clause No. II 1(i) and II 1(ii) proposed to be inserted after the existing Article No. II and Article No. 79(iii) and Article 79(iv) of Articles of Association, is also proposed to be amended suitably to reflect and to incorporate the provisions relating to the issuance of warrants convertible into the Equity Shares of the Company and to make provisions for paripassu rights of the new equity shares to participate in the dividend in the year of allotment with the existing share capital of the Company for which it is required to seek approval of members by way of Special Resolution.

A draft copy of the Memorandum and Articles of Association of the Company after making proposed amendments have been kept at the Registered Office for inspection.

Your Directors recommend passing the necessary Resolutions as set out in item No. 1 of the notice.

None of the directors of the Company is, in any way concerned or interested in these resolutions except, as a member of the Company.

Item No.2

As per Section 42 and Section 62 of the Companies Act, 2013 ("the Act") read with the rules made thereunder, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as "SEBI (ICDR) Regulations") and any amendments thereof and other applicable provisions of the applicable laws, approval of the members is required for issuance of upto 8,27,328 (Eight Lakhs Twenty-Seven Thousand Three Hundred and Twenty-Eight) Equity Shares of Rs. 10/- (Rupees Ten only) to non-promoters and other outside Investors and others on preferential basis.

Disclosure under Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations') are as under:

1. Object of the issue

The object of this preferential issue is to utilize the proceeds of the Preferential Issue of Equity Shares to meet long term working capital, general corporate purpose and such other purpose as the Board may decide.

2. The total number of shares to be issued

The company proposes to issue and allot upto 8,27,328 (Eight Lakhs Twenty-Seven Thousand Three Hundred and Twenty-Eight) Equity Shares of Rs.10/- each, in one or more trenches.

3. Price at which the allotment is proposed

The Equity Shares to be issued and allotted will be of the face value of Rs.10/- each and will be issued at a premium of Rs.30/- per share.

4. Basis on which the price has been arrived

The issue price is determined in accordance with the Regulations as applicable for Preferential Issue as contained in Chapter V of the SEBI (ICDR) Regulations, 2018 as amended till date. The Equity Shares issued and allotted in terms of the special resolution as set-out in item no. 2 of the accompanying notice, shall rank paripassu in all respect with the existing Equity Shares. The entire amount of Rs.40/- per share will be payable on or prior to the date of allotment.

5. Relevant date with reference to which the price has been arrived

The relevant date for the purpose of the preferential offer as above shall be the date which is 30 days prior to the date of this Extra-Ordinary General Meeting i.e.24th February, 2020.

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

As stated earlier, it is proposed to allot 8,27,328 equity shares to non-promoters and other outside Investors and others on a preferential basis through cash.

7. Intention of promoters, directors or key managerial personnel to subscribe the offer

The total proposed 8,27,328 (Eight Lakhs Twenty-Seven Thousand Three Hundred and Twenty-Eight) equity shares, are to be issued to allottees other than the promoter, director and key managerial personnel.

8. Names of the proposed allottees and the percentage of post-preferential offer capital that may be held by them

The details of the proposed allottees and the percentage of post preferential offer capital that will be held by them shall be:

Sr. No.	Name of Applicant alongwith PAN and address	Eq. Share (Nos)	Pre-Share Holding	Post-Shareholding	% Post-Shareholding	Category
1.	Rita Mehta PAN-ASYPM2530N Address- 401, Avishkar, S. V. Road, Andheri West, Mumbai – 400058	5,00,000	-	5,00,000	12.01%	Non-Promoter
2.	Rahul Shah PAN-BATPS1142P Address-A/103, Palan Sojpal Building, S K Bole Marg, Dadar West, Mumbai – 400028	1,63,864	13	1,63,877	3.94%	Non-Promoter
3.	Shruti Shah PAN- AWUPS4145E Address-401,Sumitra Sadan,Plot No. 22, Azad Nagar Co-op Hsg Soc.,Rd no. 1, JVPD Scheme, Vile Parle (W), Mumbai-400056	1,63,464	1,000	1,64,464	3.95%	Non-Promoter
	Total	8,27,328	1,013	8,28,341	19.90%	

9. Proposed time within which the allotment shall be completed

The proposed allotment of Equity Shares shall be completed within a period fifteen days from the date of passing of the special resolution in one or more trenches; provided that when allotment of any Equity Shares is required any approval of any regulatory authority or the Central Government, such allotment shall be completed within fifteen days from the receipt of such approval.

10. The change in control if any, of the Company that would occur consequent to preferential offer

There shall be no change in control of the Company pursuant to the issue of Equity Shares.

11. Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price

No allotment(s) has been made on a preferential basis from the beginning of the year to the date of issue of this notice.

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

Not Applicable

13. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control;

The natural persons who are the ultimate beneficial owner of the shares proposed to be allotted is specified below-

Sr. No.	Name of Allottee	Beneficial Owner
1	Rita Mehta	Rita Mehta
2	Rahul Shah	Rahul Shah
3	Shruti Shah	Shruti Shah

14. Shareholding Pattern before and after preferential issue of the capital would be as follows:

The pre issue and post issue shareholding pattern of the Company –

Sr. No.	CATEGORY	*PRE ISSUE		POST ISSUE	
		NO. OF SHARES HELD	% OF SHARE HOLDING	NO. OF SHARES HELD	% OF SHARE HOLDING
A	Promoters Holding –				
	1. Indian				
	Individual	2408144	72.19	2408144	57.84
	Body Corporate				
	Sub Total	2408144	72.19	2408144	57.84
	2. Foreign Promoters				
	Sub Total (A)	2408144	72.19	2408144	57.84
B	Non-Promoters Holding–				
	1. Institutional investors	1534	0.04	1534	0.04
	2. Non-Institution				
	Private Corporate Bodies	22475	0.67	22475	0.54
	Directors	-		-	
	Indian Public	860533	25.80	1687861	40.54
	Others(Including NRIs)	43314	1.30	43314	1.04
	Sub Total (B)	927856	27.81	1755184	42.16
	GRAND TOTAL (A+B)	3336000	100.00	4163328	100.00

Note- *Pre-Shareholding pattern as on 31st December, 2020.

15. Lock In

- (1) The equity shares allotted on a preferential basis to the promoters or promoter group shall be locked-in for a period of three years from the date of trading approval granted for the equity shares:
 - (i) Provided that not more than twenty percent of the total capital of the issuer shall be locked-in for three years from the date of trading approval.
 - (ii) Provided further that equity shares allotted in excess of the twenty percent shall be locked-in for one year from the date of trading approval.
- (2) The securities allotted on a preferential basis to persons other than the promoters and promoter group on preferential basis shall be locked-in for a period of one year from the date of trading approval.
- (3) The entire pre-preferential allotment shareholding of the allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of trading approval as per Regulation 167(6) of SEBI (ICDR) Regulations, 2018.
 - The Equity Shares so allotted to the proposed allottee 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 thereunder;
 - Allotment shall only be made in dematerialized form;
 - The 'Relevant Date' for the purpose of determining the minimum price of the Equity Shares proposed to be allotted to the above mentioned allottee is February 24, 2020 i.e. being the date which is 30 days prior to the date of this meeting;

- The allotment of Equity Shares is proposed to be completed within a maximum 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 during the financial year shall be entitled to the dividend declared, if any, including other corporate benefits, if any, for which the book closure or the record date falls subsequent to the allotment of Equity Shares.

16. Disclosures specified in Schedule VI of SEBI (ICDR) Regulations, 2018, if the issuer or any of its promoters or directors is a willful defaulter:

None of the Company, its Directors or Promoter have been declared as willful defaulter as defined under the SEBI ICDR Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI ICDR Regulations.

17. Undertakings:

The Company undertakes to re-compute the price of the equity shares issued in terms of the preferential allotment under this resolution in terms of the SEBI (ICDR) Regulations, 2018 where it is required to do so.

The Company undertakes that if the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2018 the specified equity shares shall continue to be locked-in till the time such amount is paid by the allottees.

18. Others

The certificate of the Statutory Auditors of the Company to the effect that the Preferential Issue of Equity Shares is being made in accordance with the requirement contained in the Chapter V of the SEBI (ICDR) Regulations shall be placed before the shareholders at the meeting.

As it is proposed to issue and allot the aforesaid Equity Shares on Preferential Basis, approval of the members of the Company by special resolution is required to be obtained pursuant to the provisions of Section 42 and Section 62 of the Companies Act, 2013 and Chapter V of the SEBI (ICDR) Regulations.

The Board recommends passing of the resolution as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, is concerned or interested in the above said resolution; however they may be deemed to be concerned to the extent of change in the percentage of their voting rights in the post equity shareholding in the Company, if any.

For & on behalf of the Board
Harish Textile Engineers Limited

sd/-
Sandeep Gandhi
Managing Director
Din. No.:00941665
Date: 26.02.2020
Place: Mumbai



HARISH TEXTILE ENGINEERS LIMITED

CIN: U29119MH2010PLC201521

2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Tel: 022-40373000, E-mail: compliance@harishtextile.com, Website: www.harishtextile.com

ATTENDANCE SLIP

EXTRA-ORDINARY GENERAL MEETING ON SATURDAY, 21ST MARCH, 2020

Mr./Mrs./Miss.....

Address.....

.....

.....

Folio No. (Physical holding).....DP ID (Demat holding).....

Client ID.....No. of shares held.....

I/We certify that I/We am/are registered shareholder/proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the Extra-Ordinary General Meeting (EGM) of the Company on Saturday, 21st March, 2020, at 11:00 A.M. at the registered office of the Company at 2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai - 400069, India or any adjournment thereof.

[Signature of Shareholders/Proxy(s)]

Notes:

1. Shareholder/proxyholder(s) are requested to bring the attendance slips with them when they come to the meeting and hand over the same at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the proxy form should be completed and deposited at the Registered Office of the Company atleast 48 hours before the Meeting.



HARISH TEXTILE ENGINEERS LIMITED

CIN: U29119MH2010PLC201521

2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai - 400 069.

Tel: 022-40373000, E-mail: compliance@harishtextile.com, Website: www.harishtextile.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules 2014]

CIN : L72200MH1995PLC093130
 Name of the Company : Harish Textile Engineers Limited
 Registered Office : 2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai - 400069
 Name of the member (s) :
 Registered address :
 Folio No./Client Id :
 DP ID :
 E-mail Id :

I/We, being the member (s) of shares of the above named Company, hereby appoint:

- Name : E-mail Id:
Address:
Signature :or failing him/her
- Name : E-mail Id:
Address:
Signature :or failing him/her
- Name : E-mail Id:
Address:
Signature :or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Extra-Ordinary General Meeting (EGM) of the Company on Saturday, 21st March, 2020, at 11:00 A.M. at the 2nd Floor, 19 Parsi Panchayat Road, Andheri (East), Mumbai – 400069 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Description of Resolutions	Assent	Dissent
Special Business:			
1.	Amendment in the Articles of Association		
2.	Issue of upto 8,27,328 Equity shares on a preferential issue basis to non-promoters and others through cash		

Signed this _____ day of _____ 2020

Affix
Revenue
Stamp

Signature of shareholder.....

Signature of Proxy holder(s).....

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as a proxy. However, such person shall not act as proxy for any other shareholders.
- The proxy need not be a member of the Company and shall provide his/her identity proof such as PAN Card, Aadhar Card at the time of attending EGM.
- In the case of Jointholders, the signature of any one holder will be sufficient, but names of all jointholders should be stated.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Extra-Ordinary General Meeting.
- If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

