

HARISH TEXTILE ENGINEERS LIMITED

CIN: L29119MH2010PLC201521

Registered Office: 2nd Floor, 19, Parsi Panchayat Road, Andheri East, Mumbai-400069, Maharashtra, India.

Tel No: 022 66490251, E-mail: investor@harishtextile.com; Website: www.harishtextile.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Circulars issued by the Ministry of Corporate Affairs]

VOTING STARTS ON	VOTING ENDS ON
JUNE 13, 2025 AT 9:00 A.M. (IST)	JULY 12, 2025 AT 5:00 P.M. (IST)

Dear Member(s),

NOTICE is hereby given that pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 (**“the Act”**), together with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended (**“the Rules”**), the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (**“SS-2”**), and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (**“MCA”**) for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 read with other relevant circulars issued in this regard, the latest being General circular 09/2024 dated September 19, 2024 (collectively referred as the **“MCA Circulars”**), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) and other applicable provisions, of the Act, rules, regulations, circulars and notifications (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the resolution, as set out hereunder, is proposed for approval of the Members of Harish Textile Engineers Limited (**“Company”**) through Postal Ballot by passing requisite resolution, only by voting through electronic means (**“remote e-voting”** / **“e-voting”**).

The statement pursuant to the provisions of Section 102(1) read with Section 110 and other applicable provisions of the Act read with the Rules thereunder and additional information as required under the SEBI Listing Regulations, setting out all material facts relating to the resolution mentioned in this Postal Ballot Notice (**“Notice”**) is annexed to this Notice for your consideration.

The Postal Ballot Notice will also be placed on the website of the Company, www.harishtextile.com and the website of Bigshare Services Pvt. Ltd. (**“Bigshare”**) at <https://ivote.bigshareonline.com>. The Notice can also be accessed from the website of the stock exchanges i.e. BSE Limited (**“BSE”**) (**“Stock Exchanges”**) at www.bseindia.com respectively.

In compliance with the MCA Circulars, the Company is sending this Notice only in electronic form to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent (**“RTA”**)/ Depositories. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope is not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would only take place through the remote e-voting system. The detailed procedure for remote e-voting forms

part of the 'Notes' section to this Notice.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules thereunder, the MCA Circulars and SS-2, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. Accordingly, the Company has engaged the services of Bigshare Services Pvt. Ltd. ("**Bigshare**") to provide remote e-voting facility to its Members on the proposed resolution.

Members are requested to read the instructions for casting their votes electronically by referring 'Notes' section of this Notice. The votes can be cast during the following voting period:

Commencement of e-voting:	9.00 a.m. (IST) on Friday, June 13, 2025
End of e-voting:	5.00 p.m. (IST) on Saturday, July 12, 2025

In terms of the MCA Circulars, the Postal Ballot Notice is being sent in electronic mode only to all those Members whose names appear on the Register of Members / List of Beneficial Owners and who have registered their e-mail addresses with the Company or Depository Participant / Depository / Bigshare Services Pvt. Ltd., the Company's Registrar & Transfer Agent as on June 06, 2025, being the cut-off date for this purpose. Members can vote only through the remote e-voting process. Physical copies of the Postal Ballot Notices along with Postal Ballot Forms and prepaid business reply envelopes are not being sent to the Members for this Postal Ballot and no physical ballot forms will be accepted. Members are requested to read the instructions in the Notes in this Postal Ballot Notice so as to cast their vote electronically not later than 5:00 p.m. IST on July 12, 2025, (the last day to cast vote electronically) to be eligible for being considered.

The Board of Directors at its meeting held on June 10, 2025 has appointed M/s. D N Vora and Associates, Practicing Company Secretary (ACS No. 46989, COP No. 21254) as Scrutiniser for conducting the Postal Ballot, through e-voting process, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose. The Scrutiniser's decision on the validity of the votes cast in the Postal Ballot shall be final.

The Scrutiniser will submit their report to the Executive Board of the Company, or any person authorized by them upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced on or before Monday, July 14, 2025. The said results along with the Scrutiniser's Report would be intimated to BSE Limited, where the Equity Shares of the Company is listed. Additionally, the results will also be uploaded on the Company's website <https://www.harishtextile.com/> and on the Bigshare's website <https://ivote.bigshareonline.com>.

The Company has engaged the services of Bigshare Services Pvt. Ltd. ("**Bigshare**") to provide remote e-voting facility to all its Members to cast their votes electronically.

In the event the draft resolution as set out in the notice is assented to by the requisite majority by means of e-voting, it shall be deemed to have been passed at a General Meeting.

SPECIAL BUSINESS

- 1. TO SELL/TRANSFER THE TEXTILE PROCESSING AND FINISHING MACHINERY BUSINESS OF THE COMPANY TO NFINIA INDUSTRIES PRIVATE LIMITED (A COMPANY OWNED AND CONTROLLED BY THE PROMOTER(S) OF THE COMPANY), AS GOING CONCERN, ON SLUMP SALE BASIS, THROUGH BUSINESS TRANSFER AGREEMENT TO BE EXECUTED BETWEEN THE COMPANY AND NFINIA INDUSTRIES PRIVATE LIMITED:**

To consider and, if thought fit, to give assent/ dissent to the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and Section 110 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification, amendment or re-enactment thereof for the time being in force), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the Companies (Management and Administration) Rules, 2014, Regulation 37A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company, subject to other applicable statutory provisions, rules, regulations, guidelines and also subject to necessary approvals, consents, permissions and sanctions from the concerned authorities, regulatory authority, banks and/or financial institutions, secured lenders, and any other third parties etc., to the extent applicable and necessary and upon recommendation of the Board of Directors, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a Committee thereof), to sell or transfer or otherwise dispose of as a going concern by way of slump sale (as defined in Section 2(42C) of the Income-tax Act, 1961) the Business Undertaking, wherein the term ‘Business Undertaking’ means the **“Textile Processing and Finishing Machinery Business”** of the Company and includes all movable and immovable assets and liabilities comprising in the said business undertaking, on and with effect from the effective date (effective date would mean (a) 1st April 2025 or (b) such date as the Board of Directors of both the Companies may mutually agree upon; whichever is later). The assets and liabilities comprising in the said undertaking are set out in Annexure 1 to this notice subject to the adjustments as provided in the Business Transfer Agreement (“BTA”).

RESOLVED FURTHER THAT the net worth of the said undertaking as on 31st March, 2025 is negative (as indicated in Annexure 1 to this notice) and that the actual consideration for this transaction will be determined as on effective date and to the extent of such negative consideration as may be determined as on effective date the Company shall compensate Nfinia Industries Private Limited in cash or kind, in such manner and on such terms and conditions as may be deemed appropriate and decided by the Board, with the power to the Board to consider, evaluate, negotiate, finalize and execute all the required documents, memoranda, deeds of assignment/conveyance and any other incidental documents with such modifications as may be required from time to time to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing and varying the terms and conditions to transfer the Textile Processing and Finishing Machinery Business of the Company and finalizing, modifying and executing necessary documents, including Business Transfer Agreement (“**BTA**”), contracts, agreements, deeds of assignment / conveyance and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including governmental authorities if required, and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution, and to settle any questions, difficulties or doubts that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee constituted by Board of the Company or to any Director of the Company or to any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respect.”

2. TO APPROVE THE RELATED PARTY TRANSACTION IN ORDER TO TRANSFER THE TEXTILE PROCESSING AND FINISHING MACHINERY BUSINESS TO NFINIA INDUSTRIES PRIVATE LIMITED (A COMPANY OWNED AND CONTROLLED BY THE PROMOTER(S) OF THE COMPANY):

To consider and, if thought fit, to give assent/ dissent to the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (the “Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification, amendment or re-enactment thereof for the time being in force) and Regulation 23 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee which the Board has constituted or to be constituted to exercise its powers, including the powers, conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board to enter into related party transaction, by way of entering into a Business Transfer Agreement (“**BTA**”), with **Nfinia Industries Private Limited** (a company owned and controlled by the promoters and a related party within the meaning of the Section 2(76) of the Act and Regulation 2 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) in order to transfer the Textile Processing and Finishing Machinery Business Undertaking of the Company, as a going concern, on slump sale basis (as defined under Section 2(42C) of the Income Tax Act, 1961), for the consideration as may be determined on the effective date and on such other terms and conditions as the Board may

consider fit and proper and to do all such things as may be considered necessary or expedient to give effect to the same.

RESOLVED FURTHER THAT the negative consideration for above said transfer of the Textile Processing and Finishing Machinery Business to Nfinia Industries Private Limited is worked out on arm's length basis as determined by independent valuation report and that Nfinia Industries Private Limited will be compensated for such negative consideration in such manner as the Board May decide.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary and as the Board may in its absolute discretion deem necessary, desirable or expedient, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing applications and making representations, seeking all necessary approvals from relevant authorities, including governmental authorities to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to delegate all or any of the powers herein conferred to director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things as may be considered necessary or expedient and also to execute such documents, writings etc. as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects.”

3. TO APPROVE THE RELATED PARTY TRANSACTION REGARDING THE LEAVE & LICENSE ARRANGEMENT FOR THE REGISTERED OFFICE PREMISES:

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

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”), including any statutory modification(s) and/or re-enactments thereof, and such other rules and regulations, as may be applicable, the Company’s Policy on Related Party Transactions and based on the approval and recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Mrs. Shaila Gandhi, Promoter and a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for obtaining on Leave and License for a period of 2 years the registered office of the Company i.e. 2nd Floor,

19, Parsi Panchayat Road, Andheri East, Mumbai-400069, Maharashtra, India, upon paying an monthly rent of Rs. 2,50,000 (Rupees Two Lakh Fifty Thousand only) plus GST at applicable rates, notwithstanding that such transactions may exceed the prescribed thresholds as per the provisions of SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT although the value of the said transaction does not exceed the materiality threshold prescribed under Regulation 23(1) of the SEBI Listing Regulations and is also in the ordinary course of business and on an arm's length basis, the same is being placed before the shareholders for approval as a matter of good corporate governance and greater transparency.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, as may be necessary, including finalizing the terms and conditions, modes and executing necessary documents, including contracts, schemes, agreements and other documents, file applications, make representations and seek approval from relevant authorities, if required and deal with any matters necessary as the Board may in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with matters referred to or contemplated in the foregoing resolutions, be and are hereby approved, ratified and confirmed by the members of the Company in all respects.

RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorized to determine the actual sums to be involved in the particular transactions and the terms and conditions related thereto and all other matters arising out of or incidental to the proposed transactions and to finalize and execute all agreements, deeds, documents and writings as required for particular transactions and to do all acts, deeds and things in this connection and incidental thereto as the Board of Directors in its absolute discretion may deem fit."

4. APPOINTMENT OF MR. ASHWINI RAMAKANT GUPTA (DIN: 08930567) AS A NON-EXECUTIVE, INDEPENDENT DIRECTOR:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, ("LODR Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and the Articles of Association of the Company, the approval of the members of the Company be and are hereby accorded for the appointment of Mr. Ashwini Ramakant Gupta (DIN: 08930567) as an 'Independent Director' (Non-Executive) not liable to retire by rotation, on the Board of the

Company for a period of five consecutive years commencing from 10th June, 2025 up to 09th June, 2030, as recommend/approved by the Nomination & Remuneration Committee and Board of Directors in its meeting held on 10th June, 2025.

RESOLVED FURTHER THAT Mr. Ashwini Ramakant Gupta (DIN: 08930567) satisfies the criteria for independence under Section 149(6) of the Companies Act, 2013 and the Rules made thereunder and Regulation 16(1)(b) of the SEBI LODR Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Companies Act, 2013. Therefore, Mr. Ashwini Ramakant Gupta (DIN: 08930567) is appointed as an Independent Director for a period of five years, expiring on 09th June, 2030, and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ashwini Ramakant Gupta (DIN: 08930567), being an Independent Director be paid such fees as the Board may approve from time to time and subject to such limits, as may be prescribed by the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Directors
For Harish Textile Engineers Limited**

**Sandeep Gandhi
Managing Director
DIN: 00941665**

Registered Office
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069
CIN: L29119MH2010PLC201521

**Date: June 10, 2025
Place: Mumbai**

NOTES:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) read with Regulation 36 of the SEBI Listing Regulations, and SS-2, setting out material facts and reasons for the Special Business is annexed hereto and forms part of this Postal Ballot Notice.
2. In accordance with the MCA Circulars, this Postal Ballot Notice is being sent via email only to the members of the Company, whose names appear on the Register of Members/list of Beneficial Owners, as received from National Securities and Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) ("Depositories") on Friday, June 6, 2025 ("cut-off date") and whose e-mail addresses are registered with the Company/Depositories/Depository Participants/Registrar and Transfer Agent ("RTA")- Bigshare Services Pvt. Ltd. Any person who is not a member as on the cut-off date should treat this Postal Ballot Notice for information purposes only. The same will also be available on the Company's website at www.harishtextile.com, websites of the Stock Exchanges at www.bseindia.com and on the website of Bigshare Services Pvt. Ltd. at <https://ivote.bigshareonline.com>.
3. Members who have not registered their e-mail addresses are requested to register the same with the RTA (in case of the physical shareholding)/ Depository Participant(s) (in case of electronic shareholding).
4. The dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Marathi newspaper, each with wide circulation in the district, where the Registered Office of the Company is situated, and also be published on the Company's website at www.harishtextile.com.
5. In compliance with the provisions of Section 108 and 110 of the Act read with Rules 20 and 22 of the Rules and Regulation 44 of the Listing Regulations, the MCA Circulars and SS-2, the Company has provided e-voting facility for its Members to enable them to cast their votes electronically. The Company has engaged the services of Bigshare Services Pvt. Ltd. ("Bigshare") for the purpose of providing e-voting facility to all its Members.
6. The voting rights of the Members shall be reckoned in proportion to the equity shares held by them on the Cut-off date i.e. Friday, June 06, 2025. Only those Members holding shares either in physical form or dematerialized form as on the Cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a Member as on the Cut-off date should treat this Postal Ballot Notice for information purpose only.
7. The e-voting period commences on Friday, June 13, 2025 at 9:00 A.M. (IST) and ends on Saturday, July 12, 2025 at 5:00 P.M. (IST).
8. Once the vote on the Resolution is cast by the members, the members shall not be allowed to change it subsequently.
9. Relevant documents referred to in this Postal Ballot Notice will be made available for inspection on Bigshare Services Pvt. Ltd. website, from the date of dispatch of notice upto the last date of e-voting i.e. Saturday, July 12, 2025.

10. The last date specified by the Company for e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
11. Contact details of the person responsible to address the queries/grievances connected with the voting by Postal Ballot including voting by electronic means, if any:
 - The Company Secretary & Compliance Officer, Harish Textile Engineers Limited, 02nd Floor, 19 Parsi Panchayat Road, Andheri East, Mumbai-400069., Tel: 022-66490251; Email – investor@harishtextile.com.
 - In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338.
12. Documents referred to in this notice and explanatory statement are open for inspection by the shareholders at the Registered Office of the Company on all working days (except Saturday & Sunday) from 10:00 am to 5:00 pm till from the date of dispatch of the Postal Ballot Notice up to the completion of Postal Ballot i.e., Saturday, July 12, 2025.
13. Members may download the Postal Ballot Notice from the Company's website at www.harishtextile.com or from Bigshare Services Pvt. Ltd. at <https://ivote.bigshareonline.com>.

14. Information and Other Instructions relating to Remote E-Voting:

- (a) In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations and the MCA Circulars, Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Bigshare Services Pvt. Ltd., on the resolution(s) set forth in this Postal Ballot Notice. The instructions for remote e-voting are given below.
- (b) In order to increase the efficiency of the voting process and pursuant to SEBI Circular No. SEBI/ HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, all individual shareholders holding shares in demat mode can now cast their vote by way of a single login credential, through either their demat accounts / websites of Depositories / DPs thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process.
- (c) Members are advised to update their mobile number and e-mail ID with their Depository Participants to access this facility.
- (d) The communication relating to remote e-voting containing details about User ID and Password, instructions and other information relating thereto is given in this Postal Ballot Notice.
- (e) The remote e-voting facility will be available during the following period: Commencement of remote e-voting: 9.00 a.m. (IST) on Friday, June 13, 2025; End of remote e-voting: 5.00 p.m. (IST) on Saturday, July 12, 2025. The remote e-voting will

not be allowed beyond the aforesaid date and time, and the e-voting module shall be disabled by BIGSHARE upon expiry of the aforesaid period.

- (f) The Board of Directors of the Company has appointed M/s D N Vora and Associates, Practicing Company Secretaries (Membership Number: ACS No. 46989, COP No. 21254), as the Scrutinizer to scrutinize the Postal Ballot process and the remote e-voting in a fair and transparent manner.
- (g) The Scrutinizer, after scrutinizing the votes cast through remote e-voting will, not later than two working days of the conclusion of the remote e-voting, make a Scrutinizer's Report and submit the same to the Chairman or the Company Secretary. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company at the link www.harishtextile.com and on the website of e-voting agency i.e. Bigshare Services Pvt. Ltd. at <https://ivote.bigshareonline.com>. The results shall be communicated to the Stock Exchanges simultaneously.
- (h) Subject to receipt of the requisite number of votes, the Resolution(s) shall be deemed to have been passed on the last date of remote e-voting i.e. Saturday, July 12, 2025.
- (i) The cut-off date for Members to whom this Postal Ballot Notice is being sent and the Members who are eligible to exercise their right to vote on Resolution(s) proposed to be passed through the Postal Ballot by remote e-voting is Friday, June 06, 2025. A person who is not a Member as on the cut-off date should treat this Postal Ballot Notice for information purposes only.
- (j) It is however clarified that Members of the Company as on cut-off date (including Members who may have not received this communication due to non-registration of their e-mail address with the Company / RTA / Depositories) shall be entitled to vote in respect of the Resolution(s), in accordance with the process specified in this Postal Ballot Notice.
- (k) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- (l) In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
- (m) Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, ECS mandates, email addresses, nominations, power of attorney, change of address/ name etc. to their Depository Participants ("DPs") and Bigshare.
- (n) Any such changes effected by the DPs will automatically reflect in the Company's records.
- (o) Members holding shares in electronic mode may contact their respective DPs for availing the nomination facility.
- (p) Members holding shares under multiple folios / demat accounts are requested to vote separately for each of their folios / demat accounts.

- (q) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., to the Scrutinizer by email to dnvoraandassociates@yahoo.com with a copy marked to investor@harishtextile.com.
- (r) Non-Resident Indian Members are requested to inform their respective DPs, immediately of: Change in their email address, residential status on return to India for permanent settlement, Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- (s) E-voting is mandatory for the Members and is the only means to cast a vote on the stated items of business. Members may in accordance with the provisions of Sections 112 and 113 of the Act, appoint representatives for the purpose of voting through remote e-voting.
- (t) The instructions to the Members for exercising their vote along with the process and the manner for remote e-voting are as under [for Members whose email ID are registered with the Company/ Depository Participant(s)]:

15. The instructions for Shareholders for e-voting are as under:

Bigshare i-Vote E-Voting System

E-VOTING INTRUCTIONS FOR POSTAL BALLOT ARE AS UNDER:

- i. The voting period begins on **Friday, June 13, 2025** and ends on **Saturday, July 12, 2025**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, June 06, 2025** may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

1. Pursuant to above said SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-vote (E-voting website) for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</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. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022- 48867000.

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
- Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
- Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
- Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

***Note:** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any Company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**

- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on “**VOTE NOW**” option ewhich is apparing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option “**IN FAVOUR**”, “**NOT IN FAVOUR**” or “**ABSTAIN**” and click on “**SUBMIT VOTE**”. A confirmation box will be displayed. Click “**OK**” to confirm, else “**CANCEL**” to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**REGISTER**” under “**CUSTODIAN LOGIN**”, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with “**User id and password will be sent via email on your registered email id**”.

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any Company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**CUSTODIAN LOGIN**’ tab and further Click on ‘**Forgot your password?**’

- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**RESET**’.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under “**DOCUMENTS**” option on custodian portal.
- Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
- Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.

Note: The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338

**By Order of the Board of Directors
For Harish Textile Engineers Limited**

**Sandeep Gandhi
Managing Director
DIN: 00941665**

Registered Office
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069
CIN: L29119MH2010PLC201521

**Date: June 10, 2025
Place: Mumbai**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the special businesses mentioned in the accompanying Postal Ballot Notice:

ITEM NO. 1

The Textile Processing and Finishing Machinery Business has been making losses over the past several quarters which in turn is dragging down the overall performance of the Company. Due to the Poor performance of Textile Processing and Finishing Machinery Business overall financial position, critical financial Ratios of the Company are adversely affected. As a result, thereof the valuation for all the stakeholders of the Company is adversely affected. Due to the adverse ratios, the Company is not in a position to undertake meaningful expansion for its other business segments. For the improvement of financial position and critical Ratios and positive value creation on all the stakeholders of the Company, it is proposed to transfer the Textile Processing and Finishing Machinery Business on a slump sale basis to Nfinia Industries Private Limited.

The Executive Management of Harish Textile Engineers Limited (HTEL) including the Promoters, Directors and Officials have been continuously interacting with the investor fraternity over the years. A view that has emerged from these interactions is that the investors view the Textile Processing and Finishing Machinery Business as a drag on the overall business operations of the Company as the return ratios of the core operations get diluted after factoring in the results of this segment while evaluating the entity as a whole.

Also, the prospects of this undertaking when compared with that of the core business operations give a completely different picture, especially with respect to the imminent inevitable replacement capex that the Textile Processing and Finishing Machinery Business warrant, though the same does not necessarily bring in the requisite incremental revenues when compared with the capital outlay involved.

Going ahead, the management wishes to position Harish Textile Engineers Limited (HTEL) as an entity focusing on Non-woven and PSF business which are profitable and have huge scope of expansion and scaling up. The Company had explored options to sell off this undertaking to an independent third party however no satisfactory response could be seen with regard to this transaction. Promoters, having started this undertaking, have stepped in and are agreeable to take over the operations on a going concern basis and hence the said transaction. As such, it is proposed that the operations of this undertaking be hived off completely from Harish Textile Engineers Limited (HTEL) and that this undertaking be sold as a going concern by way of a slump sale.

The shareholders of the Company be and is hereby informed that the Company with an objective to improve the financial health and long term viability of the Company's business and with a view to reduce the overall debt obligations of the Company, the Board of the Directors in its meeting held on June 10, 2025 have proposed to transfer the Business Undertaking i.e "Textile Processing and Finishing Machinery Business Undertaking" from the Company to Nfinia Industries Private Limited. The Business Undertaking means the Company's Undertaking "Textile Processing and Finishing Machinery Business" includes all movable and immovable assets and liabilities such as Trade Receivables, Inventories, Other Current Assets, Trade Payables, Loans, Current Liabilities and Provisions etc. pertaining to such identified Textile Processing and Finishing Machinery Business.

Valuation of the Business Undertaking has been carried out by the independent valuers i.e. M/s Vivro Financial Services Private Limited a category 1 Merchant Banker registered with SEBI having Registration number INM000010122 and they have issued the necessary valuation report. Which is also in compliance with the Listing Regulation guidelines.

Upon the proposed hiving of the Textile Processing and Finishing Machinery Business, the Company will have the profitable businesses of Non-woven and PSF. Both these businesses offer excellent scope for expansion and scaling up. Upon the proposed slump sale of the Textile Processing and Finishing Machinery Business all the critical financial parameters of the Company will substantially improve and this will pave way for sustainable value creation for all the stake holders.

The overall liabilities of the identified undertaking as at 31st March, 2025 is Rs 26.12 Crores as against the adjusted total book value of the assets of the said undertaking is Rs 6.09 Crores hence resulting into a negative net worth amounting to Rs 20.03 Crores. As per the independent valuer report, the valuation of the said undertaking is as appended as below.

Particular	Rs. in Crore
Gross Assets	6.09
Gross liabilities	26.12
Net assets	(20.03)

Section 180 (1) (a) of the Companies Act, 2013 makes it mandatory for the board of directors to obtain shareholder approval vide special resolution before sale of the whole or substantially the whole of an undertaking by the Company. For the division to qualify as an “undertaking”, the division should be either (i) an undertaking in which the investment of the Company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or (ii) an undertaking which generates 20% of the total income of the Company during the previous financial year. Albeit these defined conditions may not apply in the instant case, the Board of Directors of the Company have considered the fact that the Textile Processing and Finishing Machinery Business has separate identifiable business model, assets, revenues and expenses and is capable of being considered as an “*undertaking*”, and has historically, been recognized and recorded in the financial statements as a separate segment. On this basis consent of the members of the Company has been sought for the proposed transfer of the Textile Processing and Finishing Machinery Business Undertaking.

The promoters wish to continue operating the Textile Processing and Finishing Machinery Business in their individual capacity independently from Harish Textile Engineers Limited. It may be noted here specifically that the operations of this division do not warrant a continued business focus on part of the promoters contrary to that required for the other business operations. As such, by continuing the existing workforce as also by setting up independent maintenance infrastructure, the promoters believe that they can handle the Textile Processing and Finishing Machinery Business in a separate entity owned by them without diluting their focus in the PSF and Non-Woven business of Harish Textile Engineers Limited.

The management has already obtained an independent valuation report from M/s. Vivo Financial Services Private Limited a category 1 Merchant Banker registered with SEBI having registration no.: INM000010122. The management of the Company is of the view that since the fate of the transaction would be decided by the non-interested shareholders, a fair and independent valuation having been obtained as also given that no dilution being envisaged in the availability of promoters to attend to the other (PSF and Non-Woven business) business, it would be in the interest of the Company to transact the same.

Given that the promoters propose to acquire the said Textile Processing and Finishing Machinery Business, Mr. Sandeep Gandhi, Managing Director is interested in the said transaction.

Except Mr. Sandeep Gandhi, Managing Director and his relatives, none of the Directors and Key Managerial Person (KMP) or their respective relatives are interested financially or otherwise in the resolution set out at item no. 1 of the accompanying notice.

The directors recommend the resolution set out under Item nos. 1 accompanying Notice to the members for approval by way of Special Resolution.

Annexure-1

Financial Summary of Business undertaking- Textile Processing and Finishing Machinery Business Division

Annexure :A

Harish Textile Engineering Limited - Engineering Division

Net Asset Value Method

Valuation Date : March 31, 2025

Numbers in INR Crores

No	Particulars	INR in Crores
A.	Book value of all the assets (other than shares & securities) in the balance-sheet	
	Non Current Assets	
(a)	Property, plant and equipment	1.90
(b)	Capital work-in-progress	
(c)	Intangible assets	0.11
(d)	Intangible Capital under development	0.02
(e)	Right of use asset	
(f)	Other Non-current financial assets	
(g)	Tax Assets	
(h)	Other non-current assets	0.36
	Total Non Current Assets	2.38
	Current Assets	
(a)	Inventories	2.44
(b)	Contract Assets	
(c)	Trade receivables	0.48
(d)	Cash and cash equivalents	0.01
(e)	Balances with banks other than cash and cash equivalents	
(f)	Income Tax Paid	
(g)	Other current assets	0.78
	Total Current Assets	3.70
	Total Assets	6.09
	As Reduced By	
(i)	Any amount of income-tax paid, if any, less the amount of income-tax refund claimed, if any; and	
(ii)	Any amount shown as asset including the unamortised amount of deferred expenditure which does not represent the value of any asset	
	Book value of all the assets as reduced by specified items	6.09
B.	The price which the jewellery and artistic work would fetch if sold in the open market on the basis of the valuation report obtained from a registered valuer	0.00
C.	Fair market value of shares and securities as determined in the manner provided in this rule (Refer Note 1)	0.00
D.	The value adopted or assessed or assessable by any authority of the Government for the purpose of payment of stamp duty in respect of the immovable property (Refer Note 2)	0.00
	Total	6.09
L.	Book value of liabilities shown in the balance sheet, but not including the following amounts, namely	26.12
(i)	the paid-up capital in respect of equity shares	
(v)	any amount representing provisions made for meeting liabilities, other than ascertained liabilities;	
(vi)	any amount representing contingent liabilities other than arrears of dividends payable in respect of cumulative preference shares;	
	Book value of all the liabilities as reduced by specified items.	26.12
	(A+B+C+D-L)	(20.03)



ITEM NO. 2

As per the provisions of Section 188 of the Companies Act, 2013 (“Act”), transactions with related parties which are on an arm’s length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of members. However, as per the requirements of the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) such transactions, if material, require the prior approval of members through a resolution, notwithstanding the fact that the same are at an arm’s length basis and in the ordinary course of business.

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned Company and at an arm’s length basis. A transaction with a related party shall be considered as material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ₹ 1,000 crores, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

In the financial year 2025-2026, the related party transactions as mentioned below, in the aggregate, are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions to be undertaken by the Company. All the transactions to be entered into would be in the ordinary course of business of the Company and on an arm’s length basis.

The Company, proposes to enter into transactions with its related party Nfinia Industries Private Limited (Nfinia Industries Private Limited is a related party to the Company in terms of Section 2(76) of the Companies Act 2013) for transfer of the Textile Processing and Finishing Business Undertaking mentioned in Resolution at Item no. 2 of the Notice, during the financial year 2025-2026, as per the terms and conditions in accordance to the Business Transfer Agreement (“BTA”). The Board of Directors and the Audit Committee of the Company has approved the said related party transactions at its meeting held on June 10, 2025 and has noted that although the proposed related party transactions are in the ordinary course of business of the Company and shall be entered into at an arm’s length basis, they may, in aggregate, cross the applicable materiality thresholds as mentioned above.

Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions to be undertaken by the Company.

On this basis, as the Company is considering the proposed transfer of the Textile Processing and Finishing Machinery Business to Nfinia Industries Private Limited as material related party transaction for which approval of the members by means of an ordinary resolution is being sought, relevant information/disclosures pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are set out below:

- (a) **Name of the related party:** Nfinia Industries Private Limited
- (b) **Name of the director or key managerial personnel who is related, if any:** Mr. Sandeep Gandhi, Managing Director
- (c) **Nature of relationship:** Nfinia Industries Private Limited, a related party owned and

controlled by the promoters.

(d) Nature, material terms, monetary value and particulars of the contract or arrangement:

The Company will transfer its Textile Processing and Finishing Machinery Business Undertaking to Nfinia Industries Private Limited at a negative Net Worth as may be determined as at the Effective Date. The Negative Net Worth value is subject to the necessary adjustments as per applicable accounting policies at the time of closure of the transaction. To the extent of negative net worth as may be determined as at the Effective Date, the Company will compensate Nfinia Industries Private Limited in such manner as may be mutually agreed upon.

(e) Any other information relevant or important for the members to take a decision on the proposed resolution:

The Company had explored options to sell off this business undertaking to an independent third party however no satisfactory response could be seen with regard to this transaction. Promoters, having started this undertaking, have stepped in and are agreeable to take over the operations on a going concern basis and hence the said transaction.

The Board of Directors of the Company have deemed the proposed transfer of the Textile Processing and Finishing Machinery Business to be a material related party transaction under the scheme of Regulation 23 (1) of the SEBI Listing Regulations and recommended that prior approval of the members be obtained through an ordinary resolution by means of postal ballot.

Details to be placed before the members in line with the SEBI circular dated 22 November 2021 (SEBI/HO/CFD/CMD1/CIR/P/2021/662), are given below:

Sr. No.	Information to be provided to shareholders for consideration of the proposed related party transaction	Remarks
1.	Type, material terms and particulars of the proposed transaction	Sale/transfer of the Textile Processing and Finishing Machinery Business Undertaking by way of slump sale on a going concern basis. The said sale/ transfer is going to take place on a negative net worth as may be determined as on the Effective Date
2.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Nfinia Industries Private Limited, a Promoter Group entity incorporated under Companies Act, 1956, funded by the Promoters for the said transaction.
3.	Tenure of the proposed transaction (particular tenure shall be specified)	The date of completion of transfer shall be the effective date (effective date would mean (a) 1 st April 2025; or (b) such date as the Board of Directors of both the Companies may mutually agree upon, whichever is later)
4.	Value of the proposed transaction	Negative net worth as may be determined as at the Effective Date) subject to customary adjustments basis closing date accounts.

5.	<p>The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a related party transaction involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)</p>	<p>20.27% based on the Total income as contained in the Un-Audited Financials for the year ended 31st March 2025.</p>
6.	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: details of the source of funds in connection with the proposed transaction;</p> <p>where any financial indebtedness is incurred to make or give loans, interoperate deposits, advances or investments, (A) nature of indebtedness; (B) cost of funds; and (C) tenure;</p> <p>applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction.</p>	<p>Not Applicable</p>
7.	<p>Justification as to why the related party transaction is in the interest of the listed entity</p>	<p>The Textile Processing and Finishing Machinery Business has been making losses since the last several quarters. The losses of this undertaking has adverse effect on the overall performance and critical financial parameters of the Company. Due to this, the Other two business undertakings of the Company are unable to undertake any meaningful expansion,</p> <p>The Company had explored options to sell off this undertaking to an independent third party however no satisfactory response could be seen with regard to this transaction.</p> <p>Promoters having started this undertaking have stepped in and are agreeable to take over the operations on a going concern basis and hence the transaction.</p>

		<p>Sale of Textile Processing and Finishing Machinery Business Undertaking is being transacted to enable Harish Textile Engineers Limited focus on its other business segments, which is PSF and Non-woven business.</p> <p>Post the proposed transfer of the Textile Processing and Finishing Machinery Business, the overall critical financial parameters of the Company are likely to improve substantially which will pave way for expansion plans of other two undertaking.</p> <p>The proposed transfer of undertaking is in overall interest and benefit of all the stakeholders of the Company</p>
8.	A copy of the valuation or other external party report, if any such report has been relied upon (such valuation or other external party report will be made available through the registered email address of the shareholders)	Copies of the valuation reports are available for inspection by the shareholders at the registered office of the Company. In case, a shareholder is unable to inspect the valuation report at the registered office of the Company, such valuation report will be made available through the registered email address of the shareholder as available with the Company or the RTA.
9.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed related party transaction on a voluntary basis	0
10.	Any other information that may be relevant	Not Applicable

Pursuant to Section 188 of the Companies Act 2013 and as per Regulations 23 of the SEBI LODR Regulations, 2015, all entities falling under the definition of 'related party' shall abstain from voting in respect of the resolution proposed at item no 2 of the accompanying Postal Ballot Notice.

Given that the promoters propose to acquire the said Textile Processing and Finishing Machinery Business Undertaking, Mr. Sandeep Gandhi, Managing Director is interested in the said transaction.

Except Mr. Sandeep Gandhi, Managing Director and his relatives, none of the Directors and Key Managerial Person (KMP) or their respective relatives is interested financially or otherwise in the resolution set out at item no. 2 of the accompanying notice.

The directors recommend the resolution set out under Item nos. 2 accompanying Notice to the members for approval by way of Ordinary Resolution.

ITEM NO. 3

As per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members by way of Ordinary Resolution is required for material related party transactions (i.e. transactions exceeding 10% of the turnover of the Company as per the latest audited financial statements or Rs. 1000 crore, whichever is lower).

Transactions between your Company and Mrs. Shaila Gandhi may exceed the threshold limit of the SEBI Listing Regulations during the current financial year. The said transaction has been considered and approved by the Audit Committee and the Board of Directors of the Company. This transaction is proposed to be carried on at arm's length basis for a period of 2 years.

Although the proposed leave & license transaction is below the materiality threshold prescribed under Regulation 23(1) of SEBI (LODR) Regulations, 2015, the Company proposes to seek member approval voluntarily to maintain high standards of corporate governance and transparency. The transaction is at arm's length basis, in the ordinary course of business, and has been duly approved by the Audit Committee and the Board.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with Mrs. Shaila Gandhi, Promoter and Wife of Mr. Sandeep Gandhi, Promoter and Managing Director of the Company:

Name of Related Party	Mrs. Shaila Gandhi
Name of the Director/KMP Interested	Mr. Sandeep Gandhi
Nature of relationship	Promoter and Wife of Mr. Sandeep Gandhi, Managing Director
Aggregate maximum value of the contract/arrangement per transaction in any financial year	Monthly rent of Rs. 2,50,000 (Rupees Two Lakh Fifty Thousand only) Plus GST at applicable Rates
Nature and material terms of Contract/arrangement/ transaction	Leave and License Agreement
Any other information relevant or important for the members to take a decision on the proposed Resolution	Not Applicable

The other details to be placed before Members in line with the SEBI Circular are given below:

Sr. No.	Particular	Details
1	Type, material terms and particulars of the proposed transaction	Leave and License Agreement of the registered office premises located at 2 nd Floor, 19, Parsi Panchayat Road, Andheri East, Mumbai-400069, Maharashtra, India, for a monthly rent of Rs. 2,50,000. The Company will bear the running expenses and maintenance costs of the premises, except property taxes. This transaction is proposed for a period of 2 years.
2	Tenure of the proposed transaction	2 years, i.e., from 1 st August, 2025 to 31 st July 2027
3	Value of the proposed	Rs. 2,50,000 per month for the lease of the office

	transactions	premises.
4	Percentage of the listed entity's annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction on a voluntary basis	0.23 %
5	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) Details of the source of funds in connection with the proposed transaction;</p> <p>ii) Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure;</p> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</p>	Not Applicable
6	Justification as to why the RPT is in the interest of the listed entity	The Leave and License agreement will provide the Company with uninterrupted access to necessary office space, enabling the smooth continuation of operations at a commercially reasonable rate. It is in the best interests of the Company as it provides long-term stability in terms of office space for its operations.
7	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders	As the transaction relates to lease of premises, the same is not applicable.
8	Any other information relevant or important for the members to	The Company proposes to enter into Related Party Transactions with Mrs. Shaila Gandhi as per the

	take decisions	table above, on an arm's length basis with the intention to further the Company's interest.
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In view of compliance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013, approval of members for the above Related Party Transactions is being sought by way of **Ordinary Resolution**.

Except Mr. Sandeep Gandhi, Managing Director and his relatives, none of the Directors and Key Managerial Person (KMP) or their respective relatives is interested financially or otherwise in the resolution set out at item no. 3 of the accompanying notice.

Hence, the above Ordinary Resolution being in the interest of the Company, the Audit Committee and also the Board of Directors have proposed and recommended the same for your approval.

ITEM NO. 4

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors vides its resolution, appointed Mr. Ashwini Ramakant Gupta (DIN: 08930567) as an Additional Independent Director effective from 10th June, 2025. Pursuant to provisions of Section 161 of the Companies Act, 2013, Mr. Ashwini Ramakant Gupta (DIN: 08930567) holds office up to the date of passing of Resolution under Postal Ballot Rules.

Mr. Ashwini Ramakant Gupta (DIN: 08930567) is s a qualified member of ICSI. He is Practicing Company Secretary. He carries working experience of more than five years and has been serving various industries in various capacities. He possesses diversified knowledge of corporate and corporate working. He is well versed with Corporate Laws, SEBI Laws, Trademark and other allied Laws.

Mr. Ashwini Ramakant Gupta (DIN: 08930567) has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, Mr. Ashwini Ramakant Gupta (DIN: 08930567) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his association would be of immense benefit to the Company and it is desirable to appoint Mr. Ashwini Ramakant Gupta as an Independent Director.

It is proposed to appoint the aforesaid Independent Director under Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 to hold office for 5 (Five) consecutive years commencing from 10th June, 2025 upto 09th June, 2030, not liable to retire by rotation. Documents relevant for his appointment as an Independent Director are available for inspection at the registered office of the Company during business hours on any working day of the Company without the Payment of fee.

The Board of directors is authorized to take of all such steps as may be necessary, proper, expedient or desirable to give above the said appointments, with liberty to the Board of directors of the Company to alter and vary the terms & conditions of the aforesaid appointment.

In compliance with the provisions of Section 149 read with Schedule IV of Act, the appointment of Mr. Ashwini Ramakant Gupta (DIN: 08930567) as an Independent Director is now being placed before the Members for their approval.

In terms of Regulation 17(1C) of the Listing Regulations and other applicable provisions, the appointment of Mr. Ashwini Ramakant Gupta (DIN: 08930567) as Independent Director is being placed for the approval of the shareholders within the stipulated time frame.

The details of Mr. Ashwini Ramakant Gupta (DIN: 08930567) as required under the provisions of Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Secretarial Standard 2 on General Meetings are disclosed under Annexure A to this Statement.

By considering the above facts, the Board recommends the Special Resolution set out in Item No. 4 of the Notice for the approval of the Shareholders.

Except Mr. Ashwini Ramakant Gupta (DIN: 08930567), none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested, financially or otherwise, in the Special Resolution set out as Item No. 4 of the Notice.

ANNEXURE-A

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by ICSI, information about the Directors proposed to be appointed/re-appointed is furnished below:

Name of Director	Mr. Ashwini Ramakant Gupta
Directors' Identification No. (DIN)	08930567
Date of Birth	26/02/1993
Date of Appointment on Board	10/06/2025
Qualification	Qualified Member of ICSI
Experience	Mr. Ashwini Ramakant Gupta is a qualified member of ICSI. He is Practicing Company Secretary. He carries working experience of more than five years and has been serving various industries in various capacities. He possesses diversified knowledge of corporate and corporate working. He is well versed with Corporate Laws, SEBI Laws, Trademark and other allied Laws.
Terms & Conditions of Appointment / Re-appointment	Appointed as an Independent Director, not liable to retire by rotation
Remuneration details	Nil
Shareholding in Company	Nil
Relationship with the Company & Other Directors	No inter-se relationship with any other Director or KMP of the Company
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	KBS India Limited Pro Legal and Compliance LLP

No. of Board Meeting attended during the year	NA
Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies as on date	Member & Chairman in Audit Committee as well as Nomination & Remuneration Committee of KBS India Limited
List of Companies wherefrom the Director has resigned during last 3 years (excluding foreign, private and Section 8 Companies)	None
Declaration under Regulation 36(3) of SEBI LODR Regulations, 2015	The proposed Director meets the skills and capabilities required for the role and the manner in which the candidature of Mr. Ashwini Gupta is proposed for Directorship

**By Order of the Board of Directors
For Harish Textile Engineers Limited**

**Sandeep Gandhi
Managing Director
DIN: 00941665**

Registered Office
2nd Floor, 19 Parsi Panchayat Road,
Andheri (East), Mumbai-400069
CIN: L29119MH2010PLC201521

**Date: June 10, 2025
Place: Mumbai**