

CRAVATEX

LIMITED

CIN L93010MH1951PLC008546

Registered Office : Ground Floor (East Wing), Forbes Building, Charanjit Rai Marg, Fort, Mumbai – 400 001

Telephone No. : +91 22 6666 7474, Email : info@cravatex.com, Website : <http://cravatex.com/>

POSTAL BALLOT NOTICE

Pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modifications, amendments or re-enactment thereof for the time being in force).

Dear Member(s),

NOTICE is hereby given pursuant to provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”), read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modifications, amendments or re-enactment thereof for the time being in force), Regulation 44 and all other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘the Listing Regulations’) as amended from time to time read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No.22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No.3/2022 dated May 5, 2022 and General Circular No.11/2022 dated December 29, 2022 issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”) and subject to other applicable laws and regulations, for seeking consent of the Members of Cravatex Limited (“**Company**”) by passing Ordinary Resolution by way of Postal Ballot only by voting through electronic means (“remote e-voting”). Communication of assent or dissent of the Members would take place only through the remote e-voting system.

MCA has allowed companies to transact items through the postal ballot up to September 30, 2023, in accordance with the framework provided in the aforementioned MCA Circulars.

In compliance with the aforesaid MCA Circulars, this postal ballot notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/RTA/Depositories. If your e-mail address is not registered with the Company/RTA/Depositories, please follow the process provided in the notes to receive this postal ballot notice. In terms of the MCA Circulars, the Company is sending this postal ballot notice in electronic form only. Hard copy of the postal ballot notice along with the postal ballot form and pre-paid business reply envelope will not be sent to the Members for this postal ballot and Members are required to communicate their assent or dissent only through the remote e-voting system. Please note that no physical ballot forms will be acceptable. The instructions for remote e-voting are appended to this postal ballot notice.

An explanatory statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, pertaining to the resolution setting out the material facts and reasons thereof, is appended to this postal ballot notice.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company on May 26, 2023, has appointed Mr. Hemanshu Kapadia (Membership No. FCS 3477), Proprietor of Hemanshu Kapadia & Associates, Practising Company Secretaries, Mumbai, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

Members are requested to peruse the proposed ordinary resolution no.1 along with the explanatory statement and thereafter, record their assent (for) or dissent (against) by means of the remote e-voting facility provided by the Company not later than 5:00 p.m. IST on Thursday, June 29, 2023. The remote e-voting facility will be disabled by National Securities Depository Limited (“NSDL”) immediately thereafter and voting shall not be allowed beyond the said time and date. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again. Members desiring to exercise their votes are requested to carefully read the instructions in the notes under the Section ‘Procedure for Remote E-voting’. The Company has appointed NSDL for facilitating Postal Ballot through remote e-voting. The remote e-voting period commences from 9.00 a.m. (IST) on Wednesday, May 31, 2023, and ends at 5.00 p.m. (IST) on Thursday, June 29, 2023. The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced on Friday, June 30, 2023. The said results along with the Scrutinizer’s Report would be intimated to BSE Limited, where the equity shares of the Company are listed. The results will also be uploaded on the Company’s website <http://cravatex.com/> and on NSDL’s website <https://evoting.nsdl.com/>.

SPECIAL BUSINESS:

Item No. 1 : Re-appointment of Mr. Divakar G. Kamath (DIN : 08730430) as the Executive Director and CFO of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Articles of Association of the Company and Regulation 17(1C) and all other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government or other Government Authority / Agency/ Board, if and to the extent applicable and required and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of

Directors of the Company (hereinafter referred to as the 'Board' which shall include duly authorized Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board), the approval of the Members of the Company be and is hereby granted for the re-appointment of Mr. Divakar G. Kamath (DIN : 08730430) as the Executive Director and CFO, not liable to retire by rotation, for a period of 3 (three) years with effect from April 1, 2023 till March 31, 2026, on the terms and conditions, including remuneration, as stated in the Explanatory Statement annexed to the Notice;

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Divakar G. Kamath (DIN : 08730430) as the Executive Director and CFO, the Company has no profits or its profits are inadequate, he shall be paid remuneration including perquisites as permitted under Schedule V of the Companies Act, 2013, as amended from time to time and subject to receipt of the requisite approvals, if any;

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board" which shall include duly authorised Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board) be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution or to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid re-appointment, including but not limited to the remuneration payable to Mr. Divakar G. Kamath (DIN : 08730430), from time to time, in accordance with and subject to the limits as stated in the appointment letter or as may be stipulated by the Central Government if and to the extent necessary and applicable and to do all such acts, deeds, matters and things for giving effect to this resolution."

**By order of the Board of Directors
Cravatex Limited**

Sd/-

Sudhanshu Namdeo
Company Secretary and
Compliance Officer
Membership No.: A17132

Date: May 26, 2023
Place: Mumbai

CIN: L93010MH1951PLC008546
Registered Office :
Ground Floor (East Wing)
Forbes Building, Charanjit Rai Marg
Fort, Mumbai – 400 001
Tel No. : +91 22 66667474
Email : investors@cravatex.com
Website : <http://cravatex.com/>

NOTES:

1. An explanatory statement pursuant to Sections 102, 110 read with Rule 22 of the Rules and other applicable provisions, if any, of the Act, pertaining to the resolution no.1 setting out the material facts and reasons thereof, is appended to this postal ballot notice.
2. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment as Executive Director and CFO are also annexed to this postal ballot notice
3. In compliance with the provisions of the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No.22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No. 3/2022 dated May 5, 2022 and General Circular No.11/2022 dated December 29, 2022, issued by the Ministry of Corporate Affairs, Government of India, this notice is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/RTA/Depositories/DP or who will register their email addresses in accordance with the process outlined in this notice. Accordingly physical copy of the notice along with postal ballot form and pre-paid business reply envelope are not being sent to the Members for this postal ballot.
4. In compliance with the provisions of Sections 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has also extended e-voting facility. The Company has engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing e-voting facility to the members.
5. The postal ballot notice is being sent to all the members of the Company, whose names appear on the register of members / list of beneficial owners, as received from NSDL/Central Depository Services Limited, as on cut-off date i.e. Friday, May 26, 2023.
6. Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the member / beneficial owner as on cut-off date i.e. Friday, May 26, 2023.
7. A member desiring to exercise vote by e-voting is requested to carefully read the instructions printed in the postal ballot notice, as applicable, and cast their votes in electronic mode on or before Thursday, June 29, 2023 by 5.00 p.m. (IST).

8. The remote e-voting period commences on Wednesday, May 31, 2023 (9:00 a.m. IST) and ends on Thursday, June 29, 2023 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, May 26, 2023 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting after the above stated ending time on that date.
9. 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 i.e. Friday, May 26, 2023 only shall be entitled to avail the facility of remote e-voting.
10. In compliance with the provisions of Sections 101, 108, 110 and all other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and all other applicable rules made under the Act, the postal ballot notice is being sent by e-mail to those Members who have registered their e-mail addresses with the Depository Participants (in case of shares held in demat form) or with the Company's Registrar & Share Transfer Agent (in case of shares held in physical form).
11. As per Rule 22 of the Companies (Management and Administration) Rules, 2014, details of dispatch of notice to the Members will be published in Business Standard (English) and Sakal (Marathi) newspaper.
12. Resolutions passed by the Members through postal ballot are deemed to have been passed effectively at a general meeting of the Members. The Ordinary Resolution shall be declared as passed if the number of votes cast in favour of the Ordinary Resolution is more than the number of votes, if any, cast against the Resolution by Members so entitled to vote.
13. The Scrutinizer shall submit the report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced on Friday, June 30, 2023. The results of the postal ballot along with the scrutinizer's report will be intimated to BSE Limited and would also be displayed at the registered office of the Company and on the Company's website <http://cravatex.com/> and NSDL's website <https://evoting.nsdl.com/>.
14. The resolution if passed by requisite majority, will be deemed to have been passed on the last date of remote e-voting i.e. Thursday, June 29, 2023.
15. All documents referred to in this postal ballot notice and explanatory statement setting out material facts are open for inspection with prior appointment without any fees by the Members at the registered office of the Company between 9.30 a.m. to 6.00 pm on all working days except Saturdays, Sundays and national holidays, from the date hereof up to the last date of e-voting i.e. Thursday, June 29, 2023 upto 5:00 pm.

16. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail id with their depository participants, in respect of electronic holdings. Members holding shares in physical form are requested to kindly register their e-mail addresses with the Company's Registrar and Transfer Agents (R&TA), viz. Link Intime India Private Limited, C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083.
17. Members are requested to furnish/ update the details of their address, e-mail address, bank account details, relevant information for availing various approved/ permissible modes of electronic funds transfer facilities viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc:
- to their depository participants in respect of their shareholdings in electronic (dematerialized) form;
 - to R&TA, in respect of their shareholdings in physical form, quoting their folio numbers.
18. **Instructions to Members for voting electronically using NSDL e-Voting system:**

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





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual Members holding securities in demat mode

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

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

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

	<p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://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 ‘Member/Members’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Member/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Members holding securities in demat mode with CDSL</p>	<p>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 users to login Easi / Easiest are requested to visit CDSL website https://cdslindia.com/ and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>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 the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p>

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://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 ‘Member/Members’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for Members other than Individual Members are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Members whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial Password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on <https://evoting.nsdl.com/>.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on <https://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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

General Guidelines for Members

1. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution/ authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to hemanshu@hkacs.com with a copy marked to evoting@nsdl.co.in. Institutional Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://evoting.nsdl.com/> to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of <https://evoting.nsdl.com/> or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Sr. Manager, NSDL, at evoting@nsdl.co.in.

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

1. In case shares are held in physical mode please provide Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@cravatex.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@cravatex.com. If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e. Login method for e-Voting for Individual Members holding securities in demat mode.**
3. Alternatively Member(s) may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

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

**By order of the Board of Directors
For Cravatex Limited**

Sd/-

**Sudhanshu Namdeo
Company Secretary and
Compliance Officer**

Membership No.: A17132

Date: May 26, 2023

Place: Mumbai

CIN : L93010MH1951PLC008546

Registered Office :

Ground Floor (East Wing)

Forbes Building, Charanjit Rai Marg

Fort, Mumbai – 400 001

Tel No. : +91 22 66667474

Email : investors@cravatex.com

Website : <http://cravatex.com/>

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

Item No. 1:

The Members of the Company in its 68th Annual General Meeting held on August 13, 2020, on recommendation of the Nomination and Remuneration Committee and the Board of Directors, appointed Mr. Divakar G. Kamath (DIN: 08730430) as the Executive Director and CFO, for a period of 3 years w.e.f. April 1, 2020 at a remuneration of Rs.21.38 lacs per annum with authority to the Board of Directors to an annual increase in the remuneration not exceeding the maximum limits for payment of Managerial Remuneration specified under Part II Section II of Schedule V to the Companies Act, 2013 (“Act”) or any amendments thereto as may be made from time to time.

It is proposed to seek the approval of Members for the re-appointment of Mr. Kamath as the Executive Director and CFO for a further period of 3 (three) years with effect from April 1, 2023 and the remuneration payable to him in terms of the applicable provisions of the Act.

Mr. Kamath is not disqualified from being appointed as the Executive Director and CFO in terms of Section 164 of the Act and has given his consent for his re-appointment.

Details of Mr. Kamath are provided in the “Annexure” to the postal ballot notice pursuant to the provisions of (i) the SEBI Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Schedule V of the Companies Act, 2013 provides that where in any financial year during the currency of tenure of a managerial person, a Company has no profits or its profits are inadequate, a Company having effective capital more than Rs. 5 Crores and less than Rs.100 Crores (our company falls in this bracket) may, without Central Government approval, pay remuneration to the executive director not exceeding Rs.84 lacs per annum subject to approval of Nomination and Remuneration Committee, Board of Directors and Members by way of an Ordinary Resolution. Further the Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on February 13, 2023, approved re-appointment of Mr. Kamath as the Executive Director and CFO designated as the key managerial personnel of the Company for a further period of 3 (three) years with effect from April 1, 2023 and payment of remuneration upto Rs.32.35 lacs per annum.

The principal terms and conditions of re-appointment are given below:

- a) Remuneration upto Rs.32.35 lacs per annum which shall be inclusive of the usual allowances, benefits, amenities, perquisites and facilities as per the rules of the Company for the time being in force.
- b) Company's contribution to provident fund & superannuation fund, benefits under gratuity and encashment of leave at the end of the tenure will be permitted, in accordance with the rules of the Company.
- c) Mr. Kamath shall be entitled to an annual increase in the remuneration and the Board of Directors is authorised to vary the terms and conditions of appointment including determination of remuneration payable to Mr. Kamath, in such manner as the Board in their absolute discretion deems fit, provided that the remuneration payable to Mr. Kamath shall not exceed the maximum limits for payment of Managerial Remuneration specified under Part II Section II of Schedule V to the Companies Act, 2013 or any amendments thereto as may be made from time to time.
- d) Notwithstanding anything contained herein, Mr. Kamath shall be entitled to remuneration within the limits of Section II of Part II of Schedule V to the Companies Act, 2013 or within such ceiling limits as may be prescribed under Schedule V from time to time or under the Companies Act or the rules made there under as may be recodified.
- e) Mr. Kamath, as the Executive Director and CFO, shall carry out such functions, exercise such powers and perform such duties as the Board may, from time to time, in its absolute discretion, determine and entrust to him.
- f) Mr. Kamath shall not be paid any sitting fees for attending Meetings of the Board or any Committee thereof.
- g) Mr. Kamath will be bound by non-compete and confidentiality provisions.
- h) Either Party shall be entitled to terminate the employment by giving not less than three calendar months prior notice in writing in that behalf to the other Party.

In terms of provisions of Sections 196, 197 and 203 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(1C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment and payment of remuneration to Mr. Kamath as the Executive Director and CFO on remuneration upto Rs.32.35 lacs per annum requires approval of Members by way of an Ordinary Resolution. A copy of the draft letter for re-appointment of Mr. Kamath as the Executive Director and CFO setting out terms and conditions would be available for inspection without any fee by the Members at the registered office of the Company during normal business hours between 9:30 am to 6:00 pm on all working day upto and including the last date of e-voting i.e. Thursday, June 29, 2023 upto 5:00 pm.

The additional information as required under Part II of Schedule V to the Companies Act, 2013 is given:

STATEMENT FORMING PART OF POSTAL BALLOT NOTICE DATED MAY 26, 2023 AS REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V

I. GENERAL INFORMATION

- (1) Nature of Industry Trading of Goods.
- (2) Date of commencement of commercial production Date of Incorporation: June 22, 1951
- (3) In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus. Not Applicable
- (4) Financial performance based on given indicators. (Rs. In Lacs)
- | | 2022-23* | 2021-22 | 2020-21 | 2019-20 |
|--------------------------|------------|---------|---------|---------|
| Paid up Capital (Equity) | 258.42 | 258.42 | 258.42 | 258.42 |
| Reserves & Surplus | 1,167.97 | 3958.60 | 3598.06 | 3049.22 |
| Turnover | 348.16 | 244.35 | 230.76 | 242.07 |
| Profit/(Loss) before tax | (2,778.06) | 510.11 | 618.63 | 255.29 |
| Dividend (Final) | 38.76 | 77.53 | 77.53 | 25.84 |
| (Interim) | -- | -- | -- | 51.68 |
- * Subject to approval in the 71st annual general meeting
- (5) Foreign Investments or Collaborators, if any. There is no foreign collaboration. The Company is having a foreign subsidiary in UK.

II. INFORMATION ABOUT THE APPOINTEE

- (1) Background details
- Mr. Kamath is an accomplished Banker with an experience of around 32 years mostly spent in Corporate Banking Business in reputed Banks. His previous assignment was in Axis Bank Ltd as Senior Vice President and pan India Head of Small and Medium Enterprise. Apart from Banking and Finance he has ample exposure in the area of Legal matters.
- He joined the Company in the year 2012 as Chief Financial Officer. The Company has benefitted from his leadership, qualities, organizational skill and expertise in the areas of finance and legal.

(2) Past Remuneration	Rs.29.95 lacs per annum for the financial year 2022-23.
(3) Recognition or awards	None
(4) Job Profile and his suitability	<ul style="list-style-type: none"> a) Overseeing the financial activities of the company and overall. b) Signing the financial statements of the company. c) Keeping a track on the day to day financial operations of the company. d) Monitoring of legal matters. e) Managing banking and finance activities.
(5) Remuneration proposed	Upto Rs.32.35 lacs per annum
(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position of person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration is commensurate with the size of the company and it's functions and is fairly comparable with the industry average.
(7) Pecuniary relationship, directly and indirectly, with the Company or relation with the managerial person, if any.	Mr. Divakar Kamath has no pecuniary relationship, directly or indirectly with the Company or with any managerial personnel, other than his present office as the Executive Director-cum-CFO. He holds 100 equity shares of Rs.10/- each in the Company.

III. OTHER INFORMATION

- | | |
|--|---|
| (1) Reasons of loss or inadequacy of profits | : One time loss on sale of subsidiary. |
| (2) Steps taken or proposed to be taken for improvement. | : Monitoring of expenses and improvement in working capital management. |
| (3) Expected increase in productivity and profits in measurable terms. | : Around 15% improvement in performance and profitability. |

IV. DISCLOSURES

1. The details of annual remuneration package of Mr. Divakar G. Kamath is as follows :

(Rs.)

Name	Basic	HRA	Special Allowance	LTA	Bonus	Gratuity	Total
Mr. Divakar G. Kamath	26,00,400/-	2,04,000/-	2,16,096/-	72,000/-	16,800/-	1,25,019/-	32,34,315/-

2. Mr. Kamath shall not be paid any sitting fees for attending Meetings of the Board or any Committee thereof.

3. Mr. Kamath will be bound by non-compete and confidentiality provisions.

4. Either Party shall be entitled to terminate the employment by giving not less than three calendar months prior notice in writing in that behalf to the other Party.

By Order of the Board of Directors
For **Cravatex Limited**

Sd/-

Sudhanshu Namdeo
Company Secretary and
Compliance Officer
Membership No. A17132

Place : Mumbai

Dated : May 26, 2023

CIN : L93010MH1951PLC008546

Registered Office :

Ground Floor, East Wing, Forbes building,
Charanjit Rai Marg, Fort,
Mumbai 400 001.

Tel No. : +91 22 66667474

Email : investors@cravatex.com

Website : <http://cravatex.com/>

ANNEXURE TO NOTICE

Details of Director seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2).

Particulars	Mr. Divakar G. Kamath
DIN	08730430
Age	67 years
Qualifications	Graduate in Economics, Law and DFM from Mumbai University and a Certified Associate of Indian Institute of Bankers (CAIIB).
Nationality	Indian
Experience/ Expertise	<p>Mr. Kamath is an accomplished Banker with an experience of around 32 years mostly spent in Corporate Banking Business in reputed Banks. His previous assignment was in Axis Bank Ltd as Senior Vice President and Pan India Head of Small and Medium Enterprise. Apart from Banking and Finance he has ample exposure in the area of Legal matters.</p> <p>He joined the Company in the year 2012 as Chief Financial Officer. The Company has benefitted from his leadership, qualities, organizational skill and expertise in the areas of finance and legal.</p>
Terms and Conditions of Reappointment	As per the resolution at item no.1 of the postal ballot notice dated May 26, 2023 read with explanatory statement thereto.
Remuneration last drawn for the financial year 2022-23	Rs.29.95 lacs per annum as Executive Director and CFO.
Remuneration proposed to be paid	Rs.32.35 lacs per annum
Date of first appointment on the Board	April 1, 2020
Shareholding in the Company as on March 31, 2023	100 equity shares of Rs.10/- each
Relationship with other Directors/Key Managerial Personnel	None
No. of Board Meetings attended during the Financial Year 2022-23.	5 out of 6
Directorships of other Boards (along with listed entities from which the person has resigned in the past three years)	None
Membership / Chairmanship of Committees of other Boards (along with listed entities from which the person has resigned in the past three years).	None