



KANORIA CHEMICALS & INDUSTRIES LIMITED

Registered Office: "KCI Plaza", 23C, Ashutosh Chowdhury Avenue, Kolkata – 700 019

Phone: (033) 4031 3200, CIN: L24110WB1960PLC024910

Email: investor@kanoriachem.com Website: www.kanoriachem.com

NOTICE OF POSTAL BALLOT

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given pursuant to Sections 108 and 110 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended from time to time, and the Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India (SS-2), and in accordance with General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs in continuation to the circulars issued earlier in this regard ("MCA Circulars") and other applicable laws and Regulations, (including any statutory modification or re-enactment thereof for the time being in force), and circulars issued by Securities and Exchange Board of India ("SEBI Circulars") from time to time and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as amended, to seek approval of the shareholders to the resolution detailed below, through Postal Ballot by way of voting only through electronic means ("remote e-voting").

In compliance with the aforesaid MCA/SEBI Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent/Depository Participant(s). If your e-mail address is not registered with the Company/Registrar and Share Transfer Agent/Depository Participant(s), please follow the process provided in the Notes, to receive this Postal Ballot Notice, login ID and password for participating in the remote e-voting.

The explanatory statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, pertaining to the resolutions setting out the material facts is appended to this Postal Ballot Notice.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company at its Meeting held on **29th July 2025**, appointed Shri Amit Choraria (Membership No. 066838), Practicing Chartered Accountant and proprietor of M/s. Amit Choraria & Co., Kolkata as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner. The Scrutinizer's decision on the validity of the Postal Ballot shall be final. The Board of Directors of the Company has also engaged National Securities Depository Limited ("NSDL") as the agency to provide remote e-Voting facility to the Shareholders of the Company.

The remote e-voting period commences from **9.00 A. M. (IST) on Tuesday, 5th day of August 2025 and ends at 5.00 P. M. (IST) on Wednesday, the 3rd day of September 2025 (both days inclusive)**. The Scrutinizer will submit the report to the Chairman of the Company or any Director/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 within 2 (two) working days from the conclusion of the remote e-voting. The said results along with the Scrutinizer's Report will be intimated to National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') (hereinafter collectively referred to as 'Stock Exchanges'), where the Equity Shares of the Company are listed within the aforesaid time period. Additionally, the results will also be uploaded on the Company's website www.kanoriachem.com and on the website of NSDL www.evoting.nsdl.com.

SPECIAL BUSINESS:

1. To consider and approve dilution and divestment of 100% shareholding of the Company in its material subsidiary

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

"RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s), re-enactments thereof for the time being in force) and Regulation 24, along with other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), applicable notifications, clarifications, circulars, rules and regulations issued by any Government or Statutory Authorities and subject to requisite approvals (if any) and subject to the Memorandum and Articles of Association of the Company and other applicable provisions (if any), and based on the approval of the Board of Directors, the approval of the members of



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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 any committee of directors constituted by the Board) to undertake and allow the sale, dilution, transfer or disposal of 100% of its shareholding in its material subsidiary company viz. APAG Holdings AG and consequential sale, dilution, transfer or disposal of 100% of its shareholding in its material step down subsidiary companies viz. APAG Electronik AG and APAG Electronik s.r.o. Czech Republic to Anevolve Private Limited (Anevolve) and / or Asia Investments UK Private Limited (AIPL), (together referred as 'Acquirer'), in one or more tranches, on such terms and conditions as may be agreed between the Company and the Acquirer, briefly set out in the explanatory statement to this Notice.

RESOLVED FURTHER THAT the Board be and are hereby authorized to do all such acts, deeds, matters and things including but not limited to authorizing signatories, deciding on the timing, manner and extent of carrying out the aforesaid activities and to negotiate, amend, finalize and execute agreement(s), such other document(s), by whatever name called and to do all acts, matters and things as may be necessary and to settle any questions or difficulties that may arise in this regard and incidental thereto, and to delegate such other powers or authorities as the Board may deem fit and to engage any advisor, consultant, agent or intermediary, as may be deemed necessary".

Registered Office

KCI Plaza, 6th Floor,
23C Ashutosh Chowdhury
Avenue, Kolkata – 700 019

Date: 29th July 2025

Place: Kolkata

By Order of the Board

Pratibha Jaiswal
Company Secretary
Membership No. 33981



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NOTES:

1. The Explanatory Statement pursuant to the provisions of Sections 102, read with 108 and 110 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Regulation 17(11) and Regulation 36 and other applicable provisions of the Listing Regulations read with the circulars notified thereto, and Secretarial Standards on General Meetings (SS-2) stating material facts of the proposed resolution is annexed hereto and forms a part of this Notice.
2. In compliance with the MCA Circulars, the Notice is being sent by electronic mode to those Shareholders whose names appear in the Register of Members / Beneficial Owners as received from Depositories as on **Friday the 25th day of July 2025** i.e. ('Cut-off date') and whose email IDs are registered with the Company / RTA. A person who is not a Shareholder as on the Cut-off date should treat this Notice for information purpose only.
3. Communication of assent or dissent of the Members would take place only through the remote e-voting system.
4. Members may note that this Postal Ballot Notice will also be available on the Company's website, www.kanoriachem.com, websites of the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited, www.bseindia.com and National Stock Exchange of India Limited, www.nseindia.com and on the website of NSDL, www.evoting.nsdl.com
5. Members who have not registered their email address are requested to register the same (i) with the Depository Participants where they maintain their demat accounts, if the shares are held in electronic form and (ii) Members holding shares in physical mode, who have not registered / updated their email address with the Company are requested to register / update their email address by submitting Form ISR-1 (available on the website of the Company at www.kanoriachem.com) duly filled and signed along with requisite supporting documents to the RTA.
6. E-mailing of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement published in one vernacular language (Bengali), Regional Newspaper and one English language Newspaper circulated throughout India and shall be hosted at the Company's website at www.kanoriachem.com.
7. A shareholder cannot exercise his/her vote by proxy on Postal Ballot.
8. **Voting through electronic means (Electronic Voting)**
 - a) In compliance with the provisions of Sections 108 and 110 of the Act, Rules 20 and 22 of the Rules, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 in relation to e-voting facility provided by Listed Entities, the Company has provided the facility of remote e-voting to all Members, to enable them to cast their votes electronically. The Company has engaged the services of NSDL to provide remote e-voting facility to its Members.
 - b) Voting rights of the Members shall be in proportion to the shares held by them in the paid-up Equity Share Capital of the Company as on **Friday, the 25th Day of July 2025** ("Cut-off date"). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories 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 purposes only. The remote e-voting period commences from 9.00 A.M. (IST) on **9.00 A. M. (IST) on Tuesday, 5th day of August 2025 and ends at 5.00 P. M. (IST) on Wednesday, the 3rd day of September 2025 (both days inclusive)**. The e-voting module shall be disabled by NSDL thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
 - c) Members who have not registered their e-mail addresses so far are requested to register the same so that they can receive all future communications from the Company electronically.



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d) **The instructions for remote e-voting are as under:**

The remote e-voting period begins from **9.00 A. M. (IST) on Tuesday, 5th day of August 2025 and ends at 5.00 P. M. (IST) on Wednesday, the 3rd day of September 2025 (both days inclusive)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday, the 25th Day of July 2025**, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, the 25th Day of July 2025**.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. 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. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. 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







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	<p>https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <ol style="list-style-type: none"> 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around;"> <div>  <p>App Store</p> </div> <div>  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

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	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (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 or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

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4. Your User ID details are given below:

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

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

- 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 shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com 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.



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7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- (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 and General Meeting is in active status.
- (2) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- (3) Now you are ready for e-Voting as the Voting page opens.
- (4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- (5) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kanoriachemscrutinizer@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com



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or call on.: 022 - 4886 7000 or send a request to Mr. Pritam Dutta, Assistant Manager at pritamd@nsdl.com / evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to rta@cbmsl.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 rta@cbmsl.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



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ANNEXURE TO THE NOTICE

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

Item No. 1

In addition to its businesses in India, the Company is also engaged in business activities in Europe & North America through APAG Holding AG, Switzerland (hereinafter referred to as "APAG") which is a material subsidiary of the Company in terms of the provisions of regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Additionally, besides other step down subsidiaries, APAG Elektronik AG, APAG Elektronik s.r.o. Czech Republic, are also the material step down subsidiaries of the Company.

The global automotive industry continues to face significant turmoil driven by the ongoing debate around propulsion technologies and the megatrend toward automated driving systems. Additionally, geopolitical tensions, particularly the complex relationship between China and key western economies like Europe and the USA, have further intensified uncertainties, adversely impacting demand for western automotive OEM brands in China.

For a company like APAG, which specializes in model-specific or platform-specific modules, these challenges have amplified risks related to short- and medium-term demand volatility for contracted automotive modules. Coupled with persistent long lead times for raw electronic components, APAG has faced increased difficulties in inventory management and liquidity control.

Recognizing these challenges, the Company has identified an opportunity to divest its shareholding in APAG in a phased manner to Anevolve Private Limited (Anevolve) and / or Asia Investments UK Private Limited (AIPL), (together referred as Acquirer), who are keen to carry forward APAG's operations. This move is aligned with the Company's strategic objective to focus on strengthening its core operations and enhancing shareholder value.

The proposed transaction involves a two-tranche structure where in Phase 1, the Acquirer will subscribe to new shares and infuse primary consideration to the tune of USD 19,376,440 (EUR 17,776,550) and subsequently, in Phase 2 it will acquire one hundred percent (100%) of the fully diluted share capital of APAG from the existing shareholders at valuation methodology to be agreed in Shareholders' Agreement.

Prior to the proposed transaction, the Company will be converting a part of its existing outstanding loan of EUR 26,36,386 into 540 equity shares of APAG, and Cosyst Holding AG (a shareholder of APAG and related party of KCIL) will be converting a part of its existing outstanding loan of CHF 4,950,000 (EUR 5,267,890) into 1,079 equity shares of APAG, based on the same valuation at which the Acquirer is acquiring shares by way of subscription to equity shares of APAG.

Thereafter, pursuant to infusion of fresh funds in APAG by the Acquirer, the shareholding of the Company in APAG will be diluted from existing 55% to ~14.3%.

Proceeds from the primary consideration infused by the buyer into APAG will enable APAG to repay 100% of then outstanding principal and interest on loans extended to APAG by the Company. This ensures full recovery of the Company's outstanding loans, including interest.

This transaction represents a prudent and strategic step in the best interest of the Company and its shareholders. It ensures the recovery of outstanding loans and interest thereon, mitigates ongoing risks, and allows the Company to allocate its resources more effectively towards growth opportunities.

In terms of Regulation 24(5) read with Regulation 24(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a listed entity is not permitted to dispose of its shareholding in its material subsidiary which results in a reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% or cease the exercise of control over the subsidiary and/or sale, dispose and lease of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year, without passing a special resolution, except in cases where such sale/disposal/transfer/divestment is made under a scheme of arrangement or under a resolution plan under the Insolvency code.



KANORIA CHEMICALS & INDUSTRIES LIMITED

Registered Office: "KCI Plaza", 23C, Ashutosh Chowdhury Avenue, Kolkata – 700 019

Phone: (033) 4031 3200, CIN: L24110WB1960PLC024910

Email: investor@kanoriachem.com Website: www.kanoriachem.com

Given that the Company will cease to hold any shareholding or control in APAG, approval of the Company's shareholders is being sought by way of a special resolution. The draft transaction documents to be entered will be available for inspection by the members at the Registered Office of the Company. Members may send their queries to investor@kanoriachem.com from their registered e-mail address mentioning their names, folio numbers, DP ID and Client ID during the voting period of the postal ballot. The Acquirer is not related to the Company in any manner. The Board recommends passing of the resolution as set out in the Notice for approval of the Shareholders as a special resolution and requests your approval for the same.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution detailed in Item No. 1 of the Notice, except to the extent of their shareholding in the Company, if any.

Registered Office

KCI Plaza, 6th Floor,
23C Ashutosh Chowdhury
Avenue, Kolkata – 700 019

Date: 29th July 2025

Place: Kolkata

By Order of the Board

Pratibha Jaiswal
Company Secretary
Membership No. 33981