

TAMIL NADU INDUSTRIAL EXPLOSIVES LIMITED
Reg. Office: LLA Building, First Floor, 735, Anna Salai, Chennai 600 002.
CIN: U31501TN1983SGC009836
Phone No.044-28412003 Email ID: tnielmf@gmail.com

POSTAL BALLOT NOTICE

(Pursuant to Section 108 and Section 110 of the Companies Act 2013, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014)

Dear Member,

NOTICE is hereby given that pursuant to Section 108 and 110 and other applicable provisions of the Companies Act, 2013 (the "Act"), if any, read together with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, including any statutory modification or reenactment thereof for the time being in force and in accordance with the guidelines issued by Ministry of Corporate Affairs (the "MCA") for holding general meetings/conducting postal ballot through e-voting vide General circular nos 14/2020 dated April 8, 2020; 33/2020 dated September 28, 2020, and 39/2020 dated December 31, 2020 ("Circulars") the Resolutions appended below are proposed to be passed as special resolution by way of postal ballot through voting by electronics means only. Members are requested to carefully read the instructions for remote e-voting. The communication of assent or dissent of the members would only take place through remote e-voting system.

In compliance with the above mentioned 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/Depositories. The Member's whose e-mail address are not registered with the Company/Depositories, are requested to follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for remote e-voting. The hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the members for this Postal Ballot.

According to Section 180(1)(a) of the Companies Act, 2013, sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, requires the approval of the shareholders by way of a special resolution.

The Company proposes to lease the land and building situated in the factory at Vandaranthangal Village, Chittoor-Vellore High Road, Katpadi, Vellore District ("Property") to Bharat Electronics Limited, Bangaluru (BEL) on "as is where is" basis for a consideration of yearly lease rent of Rs. 2,66,99,316/- (Rupees two crores sixty six lakhs ninety nine thousand three hundred and sixteen only) for a period of 29 years.

The Company further proposed to dispose of its Machinery and all its fixed assets situated at the factory at Vandaranthangal Village, Chittoor-Vellore High Road, Katpadi, Vellore District ("Fixed Assets") on "as is where is" basis through tender process.

The Company is therefore seeking your consent for the said proposals as contained in the Special Resolution appended below. Pursuant to Section 102 of the Act an Explanatory Statement pertaining to the Resolution setting out all the materials facts and the reasons for which such Resolution is proposed is also annexed hereto along with e-voting instructions.

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Rules, the Company has engaged M/s Central Depository Service (India) Limited ("CDSL") to provide the remote e-voting facility to enable the members to cast their votes electronically on the resolutions set forth in this notice.

The remote e-voting period commences on Friday 23rd April 2021 at 9.00 am IST and will end on Saturday 22nd May 2021, at 5.00 p.m. IST when remote e-voting will be blocked and voting

shall not be allowed beyond said time.

The Board of Directors has appointed Mr. R. Sridharan of R.Sridharan & Associates (FCS No4775 & CP NO3239) Company Secretaries as the Scrutinizer for conducting the Postal Ballot/Electronic Voting process in a fair and transparent manner.

Upon completion of the e-voting process and the scrutiny of votes, the Scrutinizer will submit his report to the Managing Director. The result of the Postal Ballot would be announced by a Director or the Company Secretary of the Company on or before Monday, 24th May 2021. The said results shall be displayed at the Registered Office of the Company and on the website of the Registrar & Share Transfer and displayed along with the Scrutinizer's report on the Company's website www.tniel.in

The Resolution being Special Resolution will be declared as passed if the votes cast in favour of the resolution is not less than three times the number of votes, if any, cast against the resolution by members so entitled and voting.

The resolutions, if passed by requisite majority, shall be deemed to have been passed on Saturday, 22nd May 2021, the last date specified for remote e-voting.

The members are required to consider and if, thought fit, pass the following resolutions as a Special Resolution.

By Order of the Board of Directors
For Tamilnadu Industrial Explosives Limited

Sd/-

Place: Chennai
Date : 18.3.2021

C. Kamaraj., I.A.S.,
Managing Director

PROPOSED RESOLUTION NO.1

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

RESOLVED that, pursuant to the provisions of Section 180(1)(a) and Section 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of members be and is hereby accorded to the Board of Directors of the Company (herein after words referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or herein after constitute from time to time its powers including the power conferred by this resolution) to lease 67.25 Acres of land along with the buildings constructed thereon situated at the factory at Vandaranthangal Village, Chittoor-Vellore High Road, Katpadi, Vellore District, "as is where is" basis or in any other manner as the Board may deem fit in the interest of the Company, to Bharat Electronics Limited (BEL) for a consideration of yearly rent of Rs 2,66,99,316/-(Rupees two crore sixty six lacs ninety nine thousand and three hundred sixteen only) for a period of 29 years on such terms and conditions as may be deemed fit by the Board.

RESOLVED further that the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive lease agreement and other necessary ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any question, difficulties or doubts that may arise in regard to leasing the land and building as they may in their absolute discretion deem fit.

RESOLVED FURTHER that the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with the power to delegate to any Officer of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/documents, arranging delivery and execution of contracts, deeds, agreements and instruments.

RESOLUTION NO.2

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

RESOLVED that, pursuant to the provisions of Section 180(1)(a) and Section 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of members be and is hereby accorded to the Board of Directors of the Company (herein after words referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or herein after constitute from time to time its powers including the power conferred by this resolution) to sell/dispose of its Machinery and all other fixed assets situated at the factory at Vandaranthangal Village, Chittoor-Vellore High Road, Katpadi, Vellore District on "as is where is" basis through tender process on such terms and conditions as may be deemed fit by the Board.

RESOLVED further that the Board be and is hereby authorised to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any question, difficulties or doubts that may arise in regard to sale of the assets of the company as they may in their absolute discretion deem fit.

RESOLVED FURTHER that the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with the power to delegate to any Officer of the Company.

By Order of the Board of Directors
For Tamilnadu Industrial Explosives Limited

Sd/-

Place: Chennai
Date : 18.3.2021

C. Kamaraj., I.A.S.,
Managing Director

ANNEXURE TO THE NOTICE

1. The Explanatory Statement for the proposed Special Resolution pursuant to Section 102 and 110 of the Act setting out material facts and the reasons thereof are annexed to the Notice.
2. In conformity with the applicable regulatory requirements, the Postal Ballot Notice is being sent only through electronic mode to those Members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories, on Friday, 16th April 2021 and who have registered their e-mail addresses with the Company or with the Depositories
3. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up Equity Share Capital of the Company as on Friday, 16th April 2021. A person who is not a shareholder on the relevant date should treat this notice for information purpose only.
4. In compliance with the provisions of Section 108 and 110 and other applicable provisions of the Act, read with rule 20 and 22 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of remote e-voting to all the members of the Company. The Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating e-voting to enable the Members to cast their votes electronically. Members may please refer to the instructions below for the purpose of voting through e-voting facility.
5. The Postal Ballot Notice is available on the Company's website: www.tniel.in
6. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting.
7. The Scrutinizer's decision on the validity of Postal Ballot shall be final.
8. The Scrutinizer will submit his report to the Managing Director after the completion of scrutiny, and the result of voting by postal ballot will be announced by the Managing Director or any Director of the Company duly authorized, on or before Monday, 24th May 2021 at the Registered Office of the Company and will also be displayed on the Company website www.tniel.in and shall be communicated to Registrar and Share Transfer Agent on the said date.
9. The resolutions if passed by requisite majority, shall be deemed to have been passed on Saturday, 22nd May 2021, the last date for remote e-voting.
10. All the documents referred to in this Notice and Statement pursuant to Section 102 of the act shall be available for inspection in electronic mode. Members are requested to send an e-mail for this purpose to email id tnielmf@gmail.com.
11. Mr R. Sridharan ,Practicing Company Secretary, (Membership No FCS NO 4775) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
12. The Scrutinizer shall not later than 7 days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Director of the Company.
13. The Results shall be declared along with the Scrutinizer's Report by placing it on the Company's website www.tniel.in and on the website of CDSL within seven (7) days of closing of e-voting facility for Postal Ballot.
14. **The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Friday, 23rd April 2021 at 9.00 a.m. IST and will end on Saturday, 22nd May, 2021 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 16th April 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, write an email to helpdesk.evoting@cdslindia.com. If you have any queries or issues regarding attending EGM & e-Voting from the e-Voting system, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr.Nitinkunder (022-23058738) or Mr.RakeshDalvi (022-23058542) or Mr.MehboobLakhani (022-23058543).

All grievances connected with the facility for voting by electronic means may be addressed to Mr.RakeshDalvi, Manager (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East) Mumbai-400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058738/022-23058542/43.

Explanatory statement pursuant to section 102 of the Companies Act, 2013.

RESOLUTION No.1

Your company was earning profit till the year 2004. However, subsequently, Government of India had banned production and sale of Nitro-glycerine based explosives which constituted nearly 70% of its sales. Even though the company successfully developed alternative explosive to NG based explosives, but it was not commercially viable. Production of explosives that can be produced by small scale industries had resulted in the company incurring loss due to high wages and stiff competition price wise. The company had incurred losses continuously from the year 2004 and effort to revive the company was not successful and the company stopped its operations in July 2016. The company relieved willing employees through Voluntary Retirement Scheme in September 2017 and provided employment to others in other Government Corporations. So far the company had been protecting the assets of the company by employing contract staff. During the year 2019, Bharat Electronics Limited Bangaluru had shown interest in taking over the land and building of the company on lease and a MoU was entered into with BEL in September 2019 for leasing the land and building of the Company. Value of the land was fixed by Collector of Vellore District and the valuation of the building was undertaken and the lease rental value was fixed by Tamil Nadu Public Works Department. After negotiations with the BEL, the Company has arrived at a draft lease agreement. Leasing of the facilities will help the company to generate resources which will be beneficial to the shareholders of the company.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolution as set out in the accompanying Notice is now being placed before the members for their approval. Your Directors recommend the passing of the resolution as Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the said Special Resolution.

RESOLUTION NO. 2

As per the Lease agreement to be entered into with the BEL, the company has to hand over the land and building only and the company had to remove the machineries and other assets. Therefore, the company proposes to sell these assets by following due procedure of e tender. The proceeds of the sale of machinery will be utilized towards settlement of dues of creditors and other statutory dues.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolution as set out in the accompanying Notice is now being placed before the members for their approval. Your Directors recommend the passing of the resolution as Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the said Special Resolution.

By Order of the Board of Directors
For Tamilnadu Industrial Explosives Limited

Sd/-

Place: Chennai
Date : 18.3.2021

C. Kamaraj., I.A.S.,
Managing Director