



AARTI SURFACTANTS LIMITED

(Formerly known as Arti Surfactants Limited)

CIN: L24100GJ2018PLC102891

Registered Office: 801, 801/23, GIDC Estate, Phase III, Vapi, Valsad Gujarat 396195 IN

Tel.: 022 – 67976616 /6545

Website: www.aarti-surfactants.com, E-mail: investors@aarti-surfactants.com

NOTICE

Notice is hereby given that the Extraordinary General Meeting (“EGM”) of the Members of **Aarti Surfactants Limited** (“the Company”) will be held on Saturday, December 05, 2020 at 11.00 a.m. (IST), through video conferencing (“VC”) or other audio-visual means (“OAVM”), to transact the following business :

1. Re – Classification of Promoter/ Promoter Group

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

“**RESOLVED THAT** pursuant to Regulation 31A and other relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”) and Uniform Listing Agreements entered into by the Company with the stock exchange where the equity shares of the Company are listed and applicable provisions, if any of the Companies Act, 2013 and in accordance with applicable rules, regulations or laws and/ or any approval, consent, permission of Securities and Exchange Board of India, stock exchange or any other appropriate authorities under any other applicable laws, rules and regulations in force for the time being and from time to time (“**Concerned Authorities**”) in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the Concerned Authorities while granting such approvals, permissions or consent as may be necessary or which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include any committee constituted by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to the consent, approval of the Members of Company be and is hereby accorded to the Board to re-classify Rajendra Vallabhaji Gogri, Rajendra Vallabhaji Gogri (HUF), Arti Rajendra Gogri, Alchemie Finserv Private Limited, Tulip Family Trust, Orchid Family Trust, Safechem Enterprises Private Limited, Mirik Rajendra Gogri, Renil Rajendra Gogri and Pooja Renil Gogri (hereinafter referred to as “**Outgoing Promoter and Promoter Group**”) from promoter and promoter group category in terms of regulation 31A of SEBI LODR Regulations.”

“**RESOLVED FURTHER THAT** the shareholding of the Outgoing Promoter and Promoter Group is provided as under:

Sr. No.	Name of Outgoing Promoter and Promoter Group	Shareholding at the time of Listing and Trading (i.e. July 14, 2020)		Post Open Offer under SEBI (SAST) Regulations, 2011 and Shareholding as on the date of request seeking re – classification	
		No. of Shares	%	No. of Shares	%
1	Rajendra Vallabhaji Gogri	1,55,489	2.05	Nil	NA
2	Rajendra Vallabhaji Gogri (HUF)	30,827	0.41	Nil	NA
3	Arti Rajendra Gogri	53,425	0.70	Nil	NA
4	Alchemie Finserv Private Limited	26,410	0.35	Nil	NA
5	Tulip Family Trust	1,59,000	2.10	Nil	NA
6	Orchid Family Trust	1,52,000	2.00	Nil	NA
7	Safechem Enterprises Private Limited	1,46,300	1.93	Nil	NA
8	Mirik Rajendra Gogri	3,50,182	4.62	Nil	NA
9	Renil Rajendra Gogri	3,42,973	4.52	Nil	NA
10	Pooja Renil Gogri	38	0.00	38	0.00

“**RESOLVED FURTHER THAT** the Outgoing Promoter and Promoter Group undertake and confirm that they are in compliance with Regulation 31A of the SEBI LODR Regulations, and also confirm that, they:

- together not hold more than 10% of the fully paid-up equity share capital and voting capital/rights of the Company;
- do not have any special rights with the Company through formal or informal agreements including through any shareholding agreements,
- are not acting as key managerial persons or are represented on the Board of the Company (including not having a nominee director);
- do not directly or indirectly exercise control over the affairs of the Company;
- are not a ‘wilful defaulter’ as per the Reserve Bank of India Guidelines; and
- are not a fugitive economic offender.”

“**RESOLVED FURTHER THAT** the Outgoing Promoter and Promoter Group undertake and confirm that they shall be complying with all the conditions mentioned above at all the times from the date of re – classification and shall neither act as key managerial persons nor will they be represented on the Board of Directors for a period of not less than 3 years from the date of re – classification.”

“RESOLVED FURTHER THAT post re-classification, the Company shall be compliant with the requirement for minimum public shareholding as required under Regulation 38 of SEBI LODR Regulations.”

“RESOLVED FURTHER THAT pursuant to the fulfillment of the above conditions as per Regulations 31A of the SEBI (LODR) Regulations & subject to the necessary approvals from SEBI and Stock Exchanges, the Outgoing Promoter and Promoter Group shall cease to be the promoter and promoter group of the Company.”

“RESOLVED FURTHER THAT the application with the SEBI under Regulation 102 of SEBI (LODR) Regulations for the relaxation to comply Regulation 31A(3)(a)(ii) of SEBI LODR Regulations shall be made by the Company .”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to submit the applications to the Stock Exchanges where the securities of the Company are listed and any other Concerned Authorities in this regard and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitations effecting any modifications or changes to the foregoing, entering into contract, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the resolution), in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubt that may arise in this regard, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decision of the Board shall be final, binding and conclusive in all respects.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolutions to any Director(s) or to any committee of Directors or any other officer(s) of the Company or any other person as the Board may at its absolute discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings etc as may be necessary to give effects to the aforesaid resolution.”

2. To Issue, Offer Equity Shares on Preferential Basis

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(c), Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (**“Companies Act”**) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**“SEBI ICDR Regulations”**), relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (**“SEBI Listing Regulations”**), relevant provisions of the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (**the “Takeover Regulations”**) and Uniform Listing Agreement entered into by the Company with the stock exchange where the shares of the Company are listed and subject to the requisite approvals, permissions or consents, if any, of the Central Government, Reserve Bank of India, stock exchange, SEBI, banks, financial institutions, and any other appropriate authorities under any other applicable laws, rules and regulations in force for the time being and from time to time (**“Concerned Authorities”**) in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the Concerned Authorities while granting such approvals, permissions or consent as may be necessary or which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as **“the Board”** which expression shall include any committee constituted by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to the consent, approval of the member of the Company be and is hereby accorded to the Board to create, offer, issue and allot an aggregate of 6,65,523 equity shares (**“Equity Shares”**), for cash, at a price of Rs. 562.50 (Rupees Five Hundred Sixty Two and Fifty Paise only) per Equity Share including a premium of Rs. 552.50/- (Rupees Five Hundred Fifty Two and Fifty Paise Only) per Equity Share aggregating to Rs. 37,43,56,687.50 (Rupees Thirty Seven Crore Forty Three Lakh Fifty Six Thousand Six Hundred Eighty Seven and Fifty Paise only), being not less than the price determined in accordance with Regulation 164B of Chapter V of SEBI ICDR Regulations (The Company has opted Regulation 164B - Optional pricing in preferential issue of SEBI ICDR Regulations), to persons part of the promoter and promoter group of the Company (**“Allottees”**) through a preferential issue, in accordance with the provisions of Chapter V of the SEBI ICDR Regulations. The details of Allottees are as under:

Sr. No.	Name of Allottees	Ultimate Beneficial Owner	Equity Shares to be allotted
1	Nikhil Holdings Private Limited	Nikhil Parimal Desai, Parimal Hasmukhlal Desai and Tarla Parimal Desai	2,31,000
2	Parimal Hasmukhlal Desai	Not Applicable	1,44,841
3	Tarla Parimal Desai	Not Applicable	1,44,841
4	Nikhil Parimal Desai	Not Applicable	1,44,841
	Total		6,65,523

“RESOLVED FURTHER THAT the relevant date for the purpose of determination of the issue price of Equity Shares, under chapter V of SEBI ICDR Regulations is fixed as November 5, 2020 being 30 days prior to the date of Extra Ordinary General Meeting”

“RESOLVED FURTHER THAT the equity shares of the Company are frequently traded, the issue price has been calculated in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.”

“RESOLVED FURTHER THAT the Equity Shares to be allotted under shall be in dematerialised form and they shall rank pari passu with the existing equity shares of the Company in all respects, including but not limited to dividend, subject to lock-in as per requirements of SEBI ICDR Regulations and shall be subject to the provisions of the Memorandum and the Articles of the Company.”

“RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to lock-in, for a period of three (3) years from the date of trading approval granted as specified under the Regulation 167 of SEBI ICDR Regulations.”

“RESOLVED FURTHER THAT the pre-preferential allotment shareholding of Allottees, shall be lock-in as per the Regulation 167 of SEBI ICDR Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to submit the applications to the Stock Exchanges where the securities of the Company are listed and any other Concerned Authorities in this regard and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitations effecting any modifications or changes to the foregoing, entering into contract, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the resolution), in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubt that may arise in this regard, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decision of the Board shall be final, binding and conclusive in all respects.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolutions to any Director(s) or to any committee of Directors or any other officer(s) of the Company or any other person as the Board may at its absolute discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings etc as may be necessary to give effects to the aforesaid resolution.”

By Order of the Board of Directors
For Aarti Surfactants Limited

Sd/-
Prashant Gaikwad
Company Secretary
ICSI M. No: A46480

Place: Mumbai
Date: November 05, 2020

Aarti Surfactants Limited
CIN: L24100GJ2018PLC102891

Registered Office:
801, 801/23, GIDC Estate, Phase III,
Vapi, Valsad Gujarat 396195 IN
Tel.: 022 – 67976616 /6545
Email - investors@aarti-surfactants.com

NOTES :

1. In view of outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular no. 14/2020 dated 8 April, 2020, General Circular no. 17/2020 dated 13 April, 2020, General Circular no. 22/2020 dated 15 June, 2020 and General Circular no. 33/2020 dated 28 September, 2020 (collectively 'MCA Circulars'), permitted companies to conduct General Meeting through video conferencing ('VC') or Other Audio Visual Means ('OAVM') and relevant circular issued by the Securities and Exchange Board of India ('SEBI') on holding of meeting through VC or OAVM during the calendar year 2020. In compliance with the MCA and SEBI Circulars and applicable provisions of the Act and Listing Regulations, the EGM of the Company is being convened and conducted through VC/ OAVM. The Notice is being sent to all the members to their email ids as registered with the Company/ RTA.
2. In terms of the MCA Circulars, the physical attendance of Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members will not be available for the Extra - Ordinary General Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) attending the meeting through VC / OAVM are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the EGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email to its registered email address to sunil@sunildedhia.com with a copy marked to evoting@nsdl.co.in.

4. The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their email addresses to the M/s. Link Intime India Private Limited sending an e-mail at rnt.helpdesk@linkintime.co.in or to the Company at investors@aarti-surfactants.com.
5. Members may note that the Notice will also be available on the Company's website www.aarti-surfactants.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL, www.evoting.nsdl.com.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business at item nos. 1 & 2 above is annexed hereto and forms part of the Notice.
7. All documents referred to in the accompanying notice and the explanatory statements are open for inspection by the members at the registered office of the Company on all working days during 11:00 AM to 1:00 PM and through electronic means. Members can request the same by sending an email to investors@aarti-surfactants.com.
8. Members seeking any information with regards to any matters to be placed at the EGM, are requested to write to the Company in advance through email at investors@aarti-surfactants.com. The same will be replied by the Company suitably.
9. In case of Joint holders attending the EGM, only such joint holder whose name appears first in order of names will be entitled to vote. Corporate Members are requested to send a duly certified copy of the Board resolution authorising their representative(s) to attend and vote on their behalf at the EGM.
10. Members holding shares in physical form are requested to approach for updating or change in their bank details, correspondence including change of address, mandates etc. to the Registrar and Transfer Agents of the Bank ("RTA") viz. M/s. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 or Email at - rnt.helpdesk@linkintime.co.in and Members holding shares in dematerialized form should approach their respective Depository Participants for the same.
11. Members may avail nomination facility as provided under Section 72 of the Act. Members holding shares in physical form are advised to make nomination in respect of their shareholding with the Bank or RTA and those holding shares in Dematerialised form are advised to make nomination through their depository participant.
12. The Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents. Therefore, the Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.
13. SEBI has also mandated that for registration of transfer of securities, the transferor(s) or transferee(s) shall furnish a copy of their PAN card to the Bank for registration of transfer of securities.
14. In view of the prevailing COVID-19 situation, owing to difficulties involved in dispatching of physical copy of Notice of EGM and pursuant to MCA Circulars and SEBI Circular, the Notice of the EGM is being sent to the Members of the Company only by email. Further, the Members holding shares in physical form or other Members who have not registered their email address with the Company can get the same registered by approaching the Registrar and Transfer Agents of the Bank (RTA) viz. M/s. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Email ID - rnt.helpdesk@linkintime.co.in mentioning Folio No., Name & address of the Members along with a self-attested copy of the PAN card and self-attested copy of any document i.e. Driving License, Election Identity card, Passport for address proof. Members holding shares in demat form are requested to update their email address with their Depository.
15. It is clarified that if a Member fails to provide or update relevant e-mail address to the Company or to the DP, as the case may be, the Company will not be in default for not delivering the notice via e-mail.
16. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act, hence, attendance slip is not provided here.
17. Since the EGM shall be held through VC/OAVM, hence the requirement of providing the Route Map and Landmark for the venue of the EGM in the notice does not apply to this EGM.

18. **Voting through Electronic Means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM will be provided by NSDL.

The Members, whose names appear in the Register of Members /list of Beneficial Owners as on Saturday, November 28, 2020 are entitled to vote on the Resolutions, set forth in this Notice. The voting rights of shareholders shall be in proportion

to their shares of the paid-up equity share capital of the Company as on the 'cut-off date' of Saturday, November 28, 2020.

Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, i.e Saturday, November 28, 2020 may obtain the login ID and password by sending a request at rnt.helpdesk@linkintime.co.in / evoting@nsdl.co.in . However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.

CS Sunil M. Dedhia, Practicing Company Secretary (ICSI M. No. F3483) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within forty eight hours of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.

The results along with the Scrutinisers Report shall be placed on the website of the Company and on the website of NSDL and shall be communicated to BSE Limited and National Stock Exchange of India Limited.

I. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER :-

The remote e-voting period begins on Wednesday, December 02, 2020 at 9:00 a.m. (IST) and ends on Friday, December 04, 2020 at 5:00 p.m.(IST). Those members, who will be present in the EGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the EGM.

The instructions for shareholders voting electronically are as under:

Step 1: Log-in to NSDL e-Voting system at [https:// www.evoting.nsdl.com/](https://www.evoting.nsdl.com/)

Step 2: Cast your vote electronically on NSDL eVoting system. Details on Step 1 is mentioned below: How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: [https:// www.evoting.nsdl.com/](https://www.evoting.nsdl.com/) either on a Personal Computer or on a mobile
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL 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. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter Aarti Surfactants Limited 111 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.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below :

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

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

General Guidelines for shareholders :

1. 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.nsd.com to reset the password.
2. 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.nsd.com or call on toll free no.: 1800-222-990 or can contact NSDL on evoting@nsdl.co.in or contact Further, please find below details of NSDL officials for queries.

Mr. Amit Vishal, Senior Manager, NSDL, 022- 2499 4360 or email at amitv@nsdl.co.in

Ms. Pallavi Mhatre, Manager, NSDL, 022-2499 4545 or email at pallavid@nsdl.co.in

II. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER

1. Members will be able to attend the EGM through VC / OAVM at <https://www.evoting.nsd.com> by using their remote e-voting login credentials and selecting the EVEN for Company's EGM. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of Company will be displayed.
2. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
3. Members are encouraged to join the EGM through Laptops for better experience.
4. Members connecting from mobile devices or tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable WiFi or LAN

connection to mitigate any kind of aforesaid glitches.

5. The Members can join the EGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
6. Members who need assistance before or during the EGM, can contact NSDL on evoting@nsdl.co.in/ 1800- 222-990. Further, please find below details of NSDL officials for queries. Mr. Amit Vishal, Senior Manager, NSDL, 022-2499 4360 or email at amitv@nsdl.co.in / Ms. Pallavi Mhatre, Manager, NSDL, 022-2499 4545 or email at pallavid@nsdl.co.in.
7. Members who would like to express their views or ask questions during the meeting may register themselves as a speaker by sending their request from their registered email ID mentioning their name, demat account number/ folio number, PAN, mobile number at investors@aarti-Surfactants.com atleast 5 days before the date of EGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the EGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EGM.
8. Members can raise questions at the EGM through a chat box and they are requested to frame their questions precisely. Once the Member clicks the link for VC/OAVM in shareholder/members login where the EVEN of Company will be displayed, Members will be able to view EGM VC/OAVM proceedings along with the chat box. The questions raised by the Members will be replied by the Company suitably.

III THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM.
3. Members who have voted through remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password 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 investors@aarti-surfactants.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@aarti-surfactants.com.
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

By order of the Board

Sd/-
Prashant B. Gaikwad
Company Secretary
ICSI. M. No. A46480

Registered Office:

Plot Nos. 801, 801/23, GIDC Estate,
Phase III Vapi- 396 195,
Dist. Valsad, Gujarat

Place: Mumbai

Date: November 05, 2020

Annexure to the Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 1

Members may note that the Company received the request for re-classification from Rajendra Vallabhaji Gogri, Rajendra Vallabhaji Gogri (HUF), Arti Rajendra Gogri, Alchemie Finserv Private Limited, Tulip Family Trust, Orchid Family Trust, Safechem Enterprises Private Limited, Mirik Rajendra Gogri, Renil Rajendra Gogri, Pooja Renil Gogri (hereinafter referred to as **“Outgoing Promoter and Promoter Group”**), part of promoter and promoter group category in terms of regulation 31A of SEBI LODR Regulations on November 4, 2020 and intimated the same to BSE Limited and National Stock Exchange of India Limited on November 4, 2020. The same was considered and approved by the Board in their Board meeting held on November 05, 2020.

The Outgoing Promoter and Promoter Group have requested for reclassification since they are not involved in the management of the Company and do not have any control over the company. Further the Outgoing Promoter and Promoter Group as on the date of seeking request for re – classification hold less than 10% shareholding in the paid-up capital of the Company.

The shareholding of the Outgoing Promoter and Promoter Group is provided as under:

Sr. No.	Outgoing Promoter and Promoter Group	Shareholding at the time of Listing and Trading (i.e. July 14, 2020)		Post Open Offer under SEBI (SAST) Regulations, 2011 and Re-classification shareholding & Shareholding as on the date of request seeking re – classification	
		No. of Shares	%	No. of Shares	%
1	Rajendra Vallabhaji Gogri	1,55,489	2.05	Nil	NA
2	Rajendra Vallabhaji Gogri (HUF)	30,827	0.41	Nil	NA
3	Arti Rajendra Gogri	53,425	0.70	Nil	NA
4	Alchemie Finserv Private Limited	26,410	0.35	Nil	NA
5	Tulip Family Trust	1,59,000	2.10	Nil	NA
6	Orchid Family Trust	1,52,000	2.00	Nil	NA
7	Safechem Enterprises Private Limited	1,46,300	1.93	Nil	NA
8	Mirik Rajendra Gogri	3,50,182	4.62	Nil	NA
9	Renil Rajendra Gogri	3,42,973	4.52	Nil	NA
10	Pooja Renil Gogri	38	0.00	38	0.00

Undertaking given by the Outgoing Promoter and Promoter Group: In terms of the SEBI LODR Regulations, the Outgoing Promoter and Promoter Group undertake and confirm that they are in compliance with Regulation 31A of the SEBI LODR Regulations, and also confirm that, they:

- do not hold more than 10% of the fully paid-up equity share capital and voting capital/rights of the Company;
- do not have any special rights through formal or informal agreements and shareholding agreements, if any, granting special rights;
- are not acting as key managerial persons or are represented on the Board of the Company (including not having a Nominee Director);
- do not directly or indirectly exercise control over the affairs of the Company;
- are not a ‘wilful defaulter’ as per the Reserve Bank of India Guidelines; and
- are not a fugitive economic offender.

The Outgoing Promoter and Promoter Group also undertake and confirm that they shall neither act as key managerial persons nor will they be represented on the Board of Directors for a period of not less than 3 years from the date of Re - Classification.

Further, as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on date of the notice fulfils the minimum public shareholding requirement of at least 25% shareholding and the proposed reclassification is not intended to increase the Public Shareholding to achieve compliance with the minimum public shareholding requirement Post re-classification, the Company will be compliant with the requirement for minimum public shareholding as required under Regulation 38 of SEBI LODR Regulations.

The Company shall disclose the event of re-classification to the stock exchange as a material event in accordance with the provisions of SEBI LODR Regulations.

Pursuant to the regulation 31A of SEBI LODR Regulations, the above re-classification requires approval of members by way of Ordinary Resolution..

Further, as per Regulation 31A(3)(a)(ii) of SEBI LODR Regulations, the Company needs to maintain a cooling period of 3(three) months between the date of board meeting and the shareholders meeting considering the request of promoter and promoter group

seeking reclassification. Your Company in the interest of investors and considering the said requirement of cooling period is in the technical nature and procedural requirement Company shall seek relaxation from this compliance with the SEBI under Regulation 102 of SEBI LODR Regulations and the necessary applications in this regards shall be made with SEBI/Stock Exchanges etc.

The Board recommends the said resolution to be passed as an Ordinary Resolution.

The Outgoing Promoter and Promoter Group are concerned and interested in the resolution to the extent of their shareholding in the Company, if any. None of the other Directors, key managerial persons of the Company or any relatives of such directors/promoters or key managerial persons are in any way concerned or interested in the proposed resolution except to the extent of their respective shareholding if any in the Company.

Item No. 2

The Company is a resultant entity of Aarti Industries Limited for demerger of its Home and Personal Care (“HPC”) undertaking. The Company produces surfactants and is focused on catering to Home and Personal Care Industry. The sustainability and growth in Home and Personal Care Business is all dependent on the right strategies for example - smart purchasing / bulk timely purchasing of raw materials to manufacture the surfactants. The Company has two plants located at Pithampur and Silvassa. Post Demerger special attention was given to the Home and Personal Care business of the Company by adopting a prudent approach and placing in right strategies. This resulted in turning around the Company from loss making entity to Profit making organisation. The Company’s Net Profit after Tax for Financial year 2019-20 stood at Rs. 209.11 Lakhs as compared to Net Loss of Rs. 647.94 Lacs in Financial Year 2018-19. The demand for health and hygiene products is seen increasing especially during COVID time. Growing awareness about health, home care and hygiene has resulted in an increased demand for surfactants. Thus, the timely investment in the Company will ensure that the Company will be able to address the growing demand. Further Investment is also required for optimum utilization of resources towards the expansion & growth of the business of the Company.

The Company is on a growth trajectory and a fresh timely investment in the Company will further help in sustaining the profitability & evolution and expansion of its existing business operations. The borrowings and the finance cost of the Company as on March 31, 2020 stood at Rs. 90.52 Crores and 10.27 Crores respectively and any expansion with the further borrowings will make the Company more debt ridden hence an equity infusion would be required which shall provide the required liquidity for the Company and also strengthen its balance sheet. In order to achieve the above objective of growth, expansion & sustainability and strengthening of Company’s financial position, A few members of Promoter / Promoter Group intent to invest in the Company to the extent of Rs. 37,43,56,687.50 (Rupees Thirty Seven Crore Forty Three Lakh Fifty Six Thousand Six Hundred Eighty Seven and Fifty Paise only) in return for 8.77% of the Equity Share Capital of the Company. The Board of Directors of the Company at its meeting held on Thursday, November 5, 2020 approved the proposal to create, offer, issue and allot an aggregate of 6,65,523 equity shares (“Equity Shares”), for cash, at a price of Rs. 562.50 (Rupees Five Hundred Sixty Two and Fifty Paise only) per Equity Share including a premium of Rs. 552.50/- (Rupees Five Hundred Fifty Two and Fifty Paise Only) per Equity Share aggregating to Rs. 37,43,56,687.50 (Rupees Thirty Seven Crore Forty Three Lakh Fifty Six Thousand Six Hundred Eighty Seven and Fifty Paise only), being not less than the price determined in accordance with Chapter V of SEBI ICDR Regulations, to persons part of the promoter and promoter group of the Company (“Allottees”) through a preferential issue, in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

The relevant date for the purpose of determination of the issue price of Equity Shares, under chapter V of SEBI ICDR Regulations be fixed as November 5, 2020 being 30 days prior to the date of Extra Ordinary General Meeting.

The following disclosure is made in accordance with the provisions of Chapter V of SEBI ICDR Regulations and the Companies (Share Capital and Debentures) Rules, 2014 and any amendments thereto for the preferential issue:

1. Objects of the preferential issue and details of utilization of proceeds:

The funds raised through this preferential issue shall be utilized to meet the current and future business requirements and expansion, purchase of machinery, purchase of land, working capital requirement, for repayment of borrowings etc. and/or general corporate purposes. These funds will facilitate the growth of business and will lead to appreciation of intrinsic value of the stakeholders.

2. Maximum Number of Equity Shares to be issued and the Issue Price:

It is proposed to issue and allot in aggregate and upto 6,65,523 (Six Lakh Sixty Five Thousand Five Hundred Twenty Three) equity shares. The issue price of the Equity Shares to be issued based on the minimum price determined in with Chapter V of the SEBI ICDR Regulations is fixed at Rs. 562.50/- (including premium of Rs. 552.50/-) per Equity Share.

3. Intention of the promoters/ directors/ key managerial personnel to subscribe to the offer:

The preferential issue is being made to person part of promoter and promoter group. The Allottees are interested in the proposal to the extent of the Equity Shares to be allotted to them. None of the other directors/ key managerial personnel of the Company would be subscribing to this preferential issue of Equity Shares proposed to be issued by the Company.

4. Basis on which the price has been arrived at along with report of the registered valuer:

The Equity Shares of the Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (together referred to as the “Stock Exchanges”). NSE, being the Stock Exchange where the shares are frequently traded with higher trading volumes has been considered for determining the price in terms of the SEBI ICDR Regulations.

The Company has opted Regulation 164B of SEBI ICDR Regulations for pricing. In terms of Regulation 164B of the SEBI ICDR Regulations, the minimum price at which the Equity Shares can be issued is Rs. 562.29 per Equity Share, being higher of the average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company, during the:

- i. Twelve (12) weeks preceding the Relevant Date, or
- ii. Two (2) weeks preceding the Relevant Date.

The pricing of the Equity Shares to be allotted on preferential basis has been fixed at Rs. 562.50 per Equity Share which is higher than the price determined in the manner set out above.

The report of the registered valuer is not required under the provisions of the second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 as the consideration for the proposed transaction is in cash.

5. Lock in period:

The Equity Shares to be issued and allotted shall be subject to lock-in, for a period of three (3) years from the date of trading approval granted as specified under the regulations of Chapter V of SEBI ICDR Regulations.

The pre-preferential shareholding of Allottees, shall be lock-in as per the Regulation 167 of SEBI ICDR Regulations.

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

The Equity Shares are to be allotted to the persons belonging to promoter and promoter group and their details are as follows:

Sr. No.	Name of Allottees	Equity Shares to be allotted
1	Nikhil Holdings Private Limited	2,31,000
2	Parimal Hasmukhlal Desai	1,44,841
3	Tarla Parimal Desai	1,44,841
4	Nikhil Parimal Desai	1,44,841
Total		6,65,523

6. Pre and Post preferential issue shareholding pattern of the Company:

Sr. No.	Category	Pre issue Shareholding (As on October 30, 2020)		Post issue Shareholding	
		Equity Shares	%	Equity Shares	%
A	Promoters Holding:				
1	Indian:				
	Individual	26,58,750	35.06	30,93,235	37.49
	Trust	2,50,000	3.30	2,50,000	3.03
	Bodies Corporate	7,70,165	10.15	10,01,165	12.14
2	Foreign Promoters:				
	Individual	13,072	0.17	13,072	0.16
	Sub Total (A)	36,91,987	48.68	43,57,472	52.82
B	Non – Promoters’ Holding:				
1	Institutional Investors:				
	Mutual Fund	14,859	0.20	14,859	0.18
	Alternate Investment Funds	1,549	0.02	1,549	0.02
	Foreign Portfolio Investor	99,782	1.32	99,782	1.21
	Insurance Companies	33,181	0.44	33,181	0.40
2	Central Government/State Government:	-	-	-	-
3	Non-Institution:				
	Individual	29,87,838	39.39	29,87,876	36.22
	NBFCs Registered with RBI	4	0.00	4	0.00
	IEPF	29,914	0.39	29,914	0.36
	Trusts	11	0.00	11	0.00
	Hindu Undivided Family	2,13,807	2.82	2,13,807	2.59
	Non Resident Indians (Non Repat)	33,018	0.44	33,018	0.40
	Non Resident Indians (Repat)	19,175	0.25	19,175	0.23
	Foreign Portfolio Investor (Individual)	990	0.01	990	0.01

Sr. No.	Category	Pre issue Shareholding (As on October 30, 2020)		Post issue Shareholding	
		Equity Shares	%	Equity Shares	%
	Clearing Member	30,410	0.40	30,410	0.37
	Bodies Corporate	4,27,952	5.64	4,27,952	5.19
	Sub Total (B)	38,92,490	51.32	38,92,528	47.18
	Grand Total (A + B)	75,84,477	100.00	82,50,000	100.00

Note: In post issue shareholding, assuming Ms. Pooja Renil Gogri holding 38 equity shares shall be re-classified from part of promoter and promoter group.

7. The identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and / or who ultimately control the Allottees is as follows:

Identity of the proposed Allottees	Category	Pre issue Shareholding (As on October 30, 2020)		The maximum number of Equity Shares proposed to be allotted to Allottees	Post issue Shareholding		Natural persons who are the ultimate beneficial owner of the shares proposed to be issued
		Equity Shares	%		Equity Shares	%	
Nikhil Holdings Private Limited	Non QIB, Corporate	4,26,374	5.62	2,31,000	6,57,374	7.97	Nikhil Parimal Desai, Parimal Hasmukhlal Desai and Tarla Parimal Desai
Parimal Hasmukhlal Desai	Non QIB, Individual	0	0.00	1,44,841	1,44,841	1.76	NA
Tarla Parimal Desai	Non QIB, Individual	0	0.00	1,44,841	1,44,841	1.76	NA
Nikhil Parimal Desai	Non QIB, Individual	40,333	0.53	1,44,841	1,85,174	2.24	NA

8. Proposed time within which allotment shall be completed:

The Equity Shares shall be issued and allotted within a period of fifteen (15) days from the date of passing of the special resolution provided that where the allotment of such Equity Shares is pending on account of pendency of any regulatory approval for such allotment, the allotment shall be completed within a period of fifteen (15) days from the date of such approval or such other extended period as may be permitted under the applicable SEBI ICDR Regulations as amended from time to time.

9. Change in Control or Composition of the Board:

There will not be any change in the composition of the Board. Further, the existing promoter and promoter group of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment. However, there will be corresponding changes in the shareholding of the promoter and promoter group consequent to preferential allotment.

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

This is not applicable in the present case since the Company being a listed company the pricing is in terms of SEBI ICDR Regulations. Further, the proposed allotment is for cash consideration.

11. Undertaking:

In terms of SEBI ICDR Regulations, the Company hereby undertakes that:

- As the Equity Shares have been listed for a period of more than twelve weeks as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.
- The Company, directors and none of our promoter and promoter group are categorized as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

12. Number of persons to whom allotment on preferential basis has been made in the current financial year, in terms of number of securities as well as the price:

No preferential allotment has been made to any person during the year.

13. Auditor's Certificate:-

A copy of certificate from the Statutory Auditors certifying that the issue is being made in accordance with the requirements of SEBI ICDR Regulations will be placed before the Members at the EGM & shall be made available for inspection at the registered office of the Company during normal business hours 10:00 a.m. to 1:00 p.m. on all working days (excluding Saturday and Sunday and public holiday) from the date hereof up to Saturday, December 5, 2020.

Pursuant to the provisions of Section 62(1)(c) of the Companies Act, 2013 and as per SEBI ICDR Regulations, the above preferential issue requires approval of members by way of Special Resolution.

The Board recommends the said resolution to be passed as a Special Resolution.

None of the others directors, key managerial persons of the Company or any relatives of such directors/ promoters or key managerial persons are in any way concerned or interested in the proposed resolution.

Documents referred in the accompanying Notice are open for inspection at the registered office of the Company during normal business hours 10:00 a.m. to 1:00 p.m. on all working days (excluding Saturday and Sunday and public holiday) from the date hereof up to Saturday, December 5, 2020.

By Order of the Board of Directors
For Aarti Surfactants Limited

Sd/-
Prashant Gaikwad
Company Secretary
ICSI M. No: A46480

Place: Mumbai
Date: November 05, 2020

Aarti Surfactants Limited
CIN: L24100GJ2018PLC102891

Registered Office:
801, 801/23, GIDC Estate, Phase III,
Vapi, Valsad Gujarat 396195 IN
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