VAMSHI RUBBER LIMITED
CIN: L25100TG1993PLC016634
Reg. Office: 'VAMSHI HOUSE', Plot No. 41, Jayabheri Enclave, Gachibowli, Hyderabad, Telangana, India, 500032
Tel No: 91-40 29802533
Website: https://www.vamshirubber.org/
Email: info@vamshirubber.org

POSTAL BALLOT NOTICE

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

To the Members of the Company,

Notice is hereby given that the resolutions set out below are proposed for approval by the members of **VAMSHI RUBBER LIMITED** ("the Company") by means of Postal Ballot, only by remote e-voting process ("e-voting") being provided by the Company to all its members to cast their votes electronically, pursuant to Section 110 of the Companies Act, 2013 ("the Act"), Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") and other applicable provisions of the Act and the Rules, General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, General Circular No. 09/2024 dated September 19, 2024, and the latest being 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs ("MCA Circulars"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Explanatory Statement, pursuant to the provisions of Section 102(1) and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions proposed in this Postal Ballot Notice and additional information as required under the Listing Regulations is attached.

SPECIAL BUSINESS

ITEM NO. 1 TO CONSIDER AND APPROVE THE PROPOSAL FOR SUBSTANTIAL SALE OF WHOLE OF THE UNDERTAKING OF THE COMPANY

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

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 37A and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals, consents, permissions and sanctions as may be necessary from appropriate authorities, and in continuation of the approval accorded by the Board of Directors at its meeting held on 30th April, 2026, and having regard to the current state of affairs of the retreading business segment and the commercial rationale set out in the Explanatory Statement annexed hereto, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for the substantial sale of the whole of the undertaking of the Company at such price as determined by Independent valuer appointed for the purpose and on such terms and conditions as may be identified and finalized by the Board/management in due course.

RESOLVED FURTHER THAT the authority conferred on the Board of Directors under this resolution shall be valid for a period of 12 (twelve) months from the date of passing of this Special Resolution, and if the sale is not completed within such period, the Board shall place the matter before the Members and seek fresh approval by way of a Special Resolution before proceeding further;

RESOLVED FURTHER THAT the total sale consideration for the aforesaid transaction shall not be less than the fair value/fair market value of the undertaking as determined by the Independent Registered Valuer to be appointed by the Board and an Advisor will be appointed by the Board for determining suitable buyers for the undertaking proposed to be sold.

RESOLVED FURTHER THAT the funds received pursuant to the said sale shall be utilized by the Company, inter alia, towards repayment/reduction of the Company's existing borrowings and towards other business opportunities in line with the main objects of the Company as defined in its Memorandum of Association, including engagement of one or more outside agencies to review the existing business operations and provide objective advice for the benefit of the Company and its shareholders;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to constitute a committee of the Board for the purposes of giving effect to this resolution, and to delegate the powers, as it may deem fit, to any committee of directors or any one or more of the officers of the Company to negotiate, finalize, execute, and deliver all necessary definitive documents, and to do all such acts, deeds, matters, and things as may be necessary, desirable or expedient for giving effect to this resolution, including making all necessary disclosures/filings with the Stock Exchanges, Registrar of Companies, and other statutory/regulatory authorities in a timely and compliant manner.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally or jointly authorized to do all such acts, deeds, and things and take all such steps as may be necessary, proper, or expedient to give effect to this resolution, including resolving any questions, difficulties, or doubts that may arise in relation to the sale of the Said Undertaking, and to settle any claims or liabilities arising out of or in connection with the transaction."

By Order of the Board of Directors
For Vamshi Rubber Limited

Sd/-
Akash Bhagadia
Company Secretary & Compliance Officer
Membership no. A50559

Place: Hyderabad
Date: 08/07/2026

NOTES:

a) A statement, pursuant to the provisions of Section 102(1) and other applicable provisions of the Act read with the Rules, setting out all material facts relating to the resolutions mentioned in this Postal Ballot Notice and additional information as required under the Listing Regulations is attached.

b) In compliance with the MCA Circulars, the Company is sending this Postal Ballot Notice to the Members in electronic form only. Accordingly, the communication of the assent or dissent of the Members would take place through e-voting only.

c) The Postal Ballot Notice is being sent only via email to the Members of the Company, whose names appear in the Register of Members/the list of Beneficial Owners, as received from Central Depository Services (India) Limited (CDSL) on **Friday, 10th July, 2026** (**"cut-off date"**). Any person who is not a member as on the cut-off date should treat this Postal Ballot Notice for information purposes only. The Postal Ballot Notice shall be deemed to be dispatched by e-mail one day prior to the e-voting start date.

d) A copy of this Postal Ballot Notice is also available on the Company's website https://www.vamshirubber.org/investor_relation.php , the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.

e) Members whose email addresses are not registered with the depositories can register the same for obtaining the login credentials for e-voting for the resolutions proposed in the Postal Ballot Notice in the following manner:

i. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.

ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 Company/RTA email id.

Please note In order to register your email address permanently, the members are requested to register their email address, in respect of electronic holdings with the Depository, through their concerned Depository Participants.

Those Members who have already registered their e-mail addresses are requested to get their e-mail addresses validated with their Depository Participants/RTA to enable servicing of notices/ documents/Annual Reports and other communications electronically to their email address in future.

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations, 2015, Secretarial Standard -2 issued by the Institute of Company Secretaries of India and MCA Circulars, the members are provided the facility to cast their vote electronically through remote e-voting services provided by CDSL on all the resolutions set forth in the Notice. The details pursuant to the provisions of the Companies Act, 2013 and the Rules are given here under:

f) After dispatch of the postal ballot notice through email, advertisement shall be published in 1 (one) English daily newspaper and in 1 (one) Telugu Newspaper, each having wide circulation in the district where the registered office of the Company is situated and will also be uploaded on the Company's website at https://www.vamshirubber.org/investor_relation.php.

g) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on the cut-off date i.e. **Friday, 10th July, 2026.**

h) Once the vote on the resolution is cast by the Members, the Members shall not be allowed to change it subsequently.

i) Relevant documents referred to in this Postal Ballot Notice will be made available for inspection on the Company's website from the date of commencement of e-voting period i.e. **Saturday, 18th July, 2026 at 09.00 A.M. (I.S.T)** up to the last date of e-voting i.e. **Sunday, 16th August, 2026 at 05.00 P.M. (I.S.T).**

j) The last date specified in this notice for e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

k) For electronic voting instructions, Shareholders may go through the instructions in the Notice of Postal Ballot and in case of any queries / grievances connected with electronic voting, Shareholders may refer the Frequently Asked Questions (FAQs) and e-voting User Manual for Shareholders available at the download section of www.evotingindia.co.in. or you may send E-mail to CDSL at helpdesk.evoting@cdslindia.com or call on the Toll free no. 1800 21 09911.

l) Members may note that as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, it is mandatory to update PAN, Address, Email ID, Bank account details (KYC details) and Nomination details of shareholders, who have not updated the same with the RTA i.e. CIL Securities Limited in case of physical shareholding and with Depository Participants (DPs) in case of Demat shareholding. Henceforth, .CIL Securities Limited will attend to all service requests of the shareholders with respect to transmission, dividend, etc., only after updating the above details in the records. Non-updation of KYC details in Folios, wherein any one of the cited details/documents (i.e. PAN, Bank Details, Nomination) are not available on or after October 01, 2023, shall be frozen by the RTA as per above SEBI Circular.

m) In compliance with the aforesaid MCA Circulars, Regulation 44 of the Listing Regulations and the provisions of Sections 108, 110 and other applicable provisions of the Act read with Rule 20 and 22 of the Rules as amended from time to time and Secretarial Standard - 2 on General Meetings, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or Depositories or Depository Participants or the Company's Registrar and Share Transfer Agent (RTA) – **CIL Securities Limited**. The Company has provided e-voting facility to its members to cast their vote electronically. The instructions for e-voting are appended to this Postal Ballot Notice.

n) The Company has appointed Mr. N.V.S.S. Suryanarayana Rao, Practicing Company Secretary, Hyderabad (Membership No. 5868 and Certificate of Practice No. 2886), to act as the Scrutinizer for conducting the Postal Ballot in a fair and transparent manner in accordance with the provisions of the Act and the Rules made thereunder.

o) Please note that there will be no dispatch of physical copies of the Notice or Postal Ballot Forms to the Members of the Company and no physical ballot forms will be accepted.

p) The Scrutinizer will submit his report to the Chairman of the Meeting or in his absence, any other person authorized by him, after completion of scrutiny of the votes. The results of the voting by Postal Ballot (through e-voting process) along with the Scrutinizer's report will be announced by the Chairman of the meeting or any other person authorized by him, on or before Wednesday, August 19th, 2026. The results of the Postal Ballot will be posted on the Company's website at https://www.vamshirubber.org/investor_relation.php and will be displayed on the notice board of the Company at its Registered Office. The results will also be intimated to BSE, where the equity shares of the Company are listed. In terms of Regulation 44(3) of the SEBI LODR Regulations, the Company shall submit the details of the voting results to BSE Limited within 2 (two) working days of the conclusion of the remote e-voting period.

1. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (remote e-voting) to all its members. The company has engaged the services of Central Depository Services Limited (CDSL) to provide remote e-voting facilities and enabling the members to cast their vote in a secured manner. This facility will be available at the link http://www.evotingindia.com during the following voting period:

Commencement of remote e-voting	:	From 09.00 A.M on 18.07.2026
End of remote e-voting	:	Up to 05.00 P.M on 16.08.2026

Remote e-voting shall not be allowed beyond **05.00 P.M on Sunday, 16th August, 2026.** During the Remote e-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cut-off date, may cast their vote electronically. The cut-off date for eligibility for remote e-voting is **Friday, 10th July, 2026.**

a) The company has engaged the services of CDSL as the Authorized Agency to provide remote e voting facilities.

b) The company has appointed Mr. N.V.S.S. Suryanarayana Rao, Practicing Company Secretary (M. No: 5868), as "scrutinizer" for conducting and scrutinizing the remote e- voting process in a fair and transparent manner.

c) "Voting by electronic means" or "electronic voting system" means a "secured system" based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate "cyber security".

It also helps the shareholders to cast their vote from anywhere and at any time during Remote voting period.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 **:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 **:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on **Saturday, 18th July, 2026 at 09.00 A.M. (I.S.T) up to the last date of e-voting i.e. Sunday, 16th August, 2026 at 05.00 P.M. (I.S.T).** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Friday, 10th July, 2026** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations 6 and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat modewith **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e- Voting page without any further authentication. The URL for users to login toEasi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.comand click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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-VotingService Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 availableathttps://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an 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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e- Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting periodor joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
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.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 **:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iii) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- Click on the "Shareholders" tab.
- 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(V) After entering these details appropriately, click on "SUBMIT" tab.

(VI) 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 onwhich they are eligible to vote, provided that the company opts for Remote 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.

(VII) For Members holding shares in physical form, the details can be used only for Remote E-Voting on the resolutions contained in this notice.

(VIII) Click on EVSN of VAMSHI RUBBER LIMITED

(IX) 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.

(X) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details

(XI) 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.

(XII) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(XIII) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(XIV) If Demat account holder has forgotten the same password, then enter the User ID and the image verification code and click on „Forgot Password‟& enter the details as prompted by the system.

(XV) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(XVI) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(XVII) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address info@vamshirubber.org , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 AND ADDITIONAL INFORMATION AS REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The following Explanatory Statement sets out material facts relating to the special business proposed in this Notice.

ITEM NO. 1

In continuation of the approval taken at the Board of Directors' meeting held on 30th April, 2026, at which the Board deliberated on evaluating various strategic options to enhance shareholder value and in terms of recommendations made by the Audit Committee, the Board of Directors, at its meeting held on 8th July, 2026, has granted its prior, in-principle approval for the substantial sale of the whole of the undertaking of the Company, engaged in the business of manufacturing of tyre retreading materials, having regard to the current state of affairs of the said business segment, subject to the approval of the Members of the Company by way of a Special Resolution.

Commercial Rationale for the Proposed Sale

The Company's performance in the retread material business has been in secular decline over the last several years, in the face of a series of structural and technological shifts in the commercial vehicle tyre industry which have permanently and irreversibly compressed the addressable market for tyre retreading. The Board's considered view, supported by industry analysis and management assessment, is that the retread business is unlikely to return to sustainable growth, and that a strategic exit at this juncture is preferable to a prolonged period of value erosion. The principal factors driving this assessment are summarised below:

- **Radialisation of Commercial Vehicle Tyres**: The share of radial tyres in the commercial vehicle segment has increased from near-zero to approximately 90% over the last several years, delivering substantially longer tyre life (approximately 100,000 km per tyre, against 30,000 km for nylon/bias-ply tyres) and correspondingly reducing the retreading factor from approximately 3.0 to approximately 1.25.

- **Improvement of Road Infrastructure**: Sustained investment in highway infrastructure has improved road surfaces, accelerated the shift to radial tyres, and reduced retread demand per kilometre driven.

- **Increased Vehicle Loads without Proportionate Tyre Increase**: Vehicle loads have increased from an average of 9 to 30 metric tonnes per vehicle over the last decade, without a proportionate increase in the number of tyres per vehicle, contracting the pool of retreadable casings.

- **Rise of Electric Buses and the Electric Vehicle Transition**: Electric bus tyres have shown materially higher retread failure rates on account of higher vehicle weight and torque; this trend may extend to commercial trucks as electrification increases.

- **Structural Fragmentation and Credit Risk in the Retreading Industry**: The retreading industry remains largely unorganised and credit-driven, with rising business closures and receivables recovery difficulties amid raw material price volatility.

Having regard to the above, the Board is of the considered view that the retread material business is in a phase of terminal decline, and that the proposed sale offers the Company the opportunity to realise value at a stage in the industry cycle considered favourable for a strategic exit, preserve shareholder value, and support continuity of employment for the workforce of the business, which the Company will seek to secure as part of the terms of any eventual transaction.

Nature of the Transaction

The proposed sale constitutes the sale of "the whole or substantially the whole of the undertaking" of the Company within the meaning of Section 180(1)(a) of the Companies Act, 2013. Since the sale is proposed to be effected otherwise than by way of a Scheme of Arrangement under Sections 230–232 of the Companies Act, 2013, the same is subject to the requirements of Regulation 37A of the SEBI LODR Regulations, in terms of which the resolution shall be acted upon only if the votes cast by public shareholders of the Company in favour of the resolution exceed the votes cast by public shareholders against it.

Further, in terms of the second proviso to Regulation 37A(1) of the SEBI LODR Regulations, no public shareholder shall be entitled to vote on this resolution if such shareholder is a party, directly or indirectly, to the proposed sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the Company.

Buyer and Consideration

As on the date of this notice, no buyer or counterparty for the proposed sale has been identified, and the consideration payable is yet to be determined. The Board has approved the appointment of an Advisor to assist the Company in identifying suitable buyers for the undertaking, and any proposal that may emerge from such process shall be subject to the Board's further consideration and approval. The consideration for the proposed sale shall be determined on the basis of the fair value/fair market value of the undertaking as per the valuation report to be obtained from an Independent Registered Valuer to be appointed for the purpose, which valuation report shall be placed before the Audit Committee of the Company for its review and recommendation. Upon identification of a buyer and finalisation of the consideration, the Company shall make the requisite disclosures to the Stock Exchanges under Regulation 30 of the SEBI (LODR) Regulations, 2015.

Use of Proceeds

In terms of Section 180(4) of the Companies Act, 2013 and Regulation 37A(1)(b) of the SEBI LODR Regulations, the Members are informed that the funds received pursuant to the said sale shall be utilised by the Company, inter alia, towards repayment/reduction of the Company's existing borrowings and towards other business opportunities in line with the main objects of the Company as defined in its Memorandum of Association. The Company is also keen to appoint one or more outside agencies to review the existing business operations, which have not been growing despite the Company's best efforts, and to provide objective advice for the benefit of the Company and its shareholders. The funds received pursuant to the proposed sale shall be utilised accordingly.

Related Party Status and Director's Interest

None of the Directors, Key Managerial Personnel, or their relatives have any financial or other interest in this resolution.

The Board of Directors considers this transaction to be in the best interest of the Company and its shareholders and recommends the resolution for approval as a Special Resolution.

By Order of the Board of Directors

For Vamshi Rubber Limited

Sd/-
Akash Bhagadia
Company Secretary & Compliance Officer
Membership no. A50559

Place: Hyderabad
Date: 08/07/2026