



**KINTECH RENEWABLES LIMITED EMPLOYEES  
STOCK OPTION SCHEME – 2023**

## TABLE OF CONTENTS

S. No.	Particulars	Page No.
1.	Introduction	2
2.	Term of the Scheme	2
3.	Purpose of the Scheme	2
4.	Definitions	3-7
5.	Implementation & Administration	7-10
6.	Pool of the Scheme	10-11
7.	Eligibility Criteria's	11
8.	Grant of Options	11-12
9.	Vesting of Options	12-13
10.	Exercise of Options	13-14
11.	Exercise Price	14-15
12.	Cessation of Employment	15-18
13.	Lock in requirements	18
14.	Other terms and conditions	18
15.	Notices and correspondence	18-19
16.	Nomination of Beneficiary	19
17.	Corporate Action	19-20
18.	Disclosure and Accounting Policies	20
19.	Taxability on the Grantee	20-21
20.	Surrender of Options	21
21.	Dispute	21-22
22.	Governing Law	22
23.	Regulatory Approvals	22
24.	Modification of Scheme	22
25.	Confidentiality	23

**1. Introduction:**

- 1.1** This Scheme shall be called as the “Kintech Renewables Limited Employees Stock Option Scheme – 2023” (*hereinafter referred as “Scheme”*).
- 1.2** The Scheme was approved by the Nomination and Remuneration Committee of the Board of Directors and the Shareholders of the Company on July 10, 2023 and September 30, 2023 respectively.
- 1.3** The Scheme shall be effective from September 30, 2023, being the date of Shareholders’ approval.

**2. Term of the Scheme:**

- 2.1** The Scheme shall continue in effect unless terminated by the Board of Directors.
- 2.2** Any such termination of the Scheme shall not affect Options already Granted and the powers of the Committee in relation to such Options shall remain in full force and effect as if the Scheme had not been terminated unless mutually agreed otherwise between the Grantee / nominee / legal heirs and the Company.

**3. Purpose of the Scheme:**

- 3.1** The purpose of the Scheme includes the followings:
  - 3.1.1** To attract relevant talent into the Company to drive its growth plans.
  - 3.1.2** To motivate the Employees to contribute to the growth and profitability of the Company.
  - 3.1.3** To retain the Employees and reduce the attrition rate of the Company.
  - 3.1.4** To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.
  - 3.1.5** To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come, and
  - 3.1.6** To provide additional deferred rewards to Employees.

#### 4. Definitions:

4.1 In this Scheme, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.

4.1.1 “**Abandonment**” means the absence of an Employee from work for a period of 30 days or more without having communicated to the Company or its authorised representative in writing any reason for absence.

4.1.2 “**Applicable Law**” means every law relating to Employee Stock Option Schemes in force, including, without limitation to, Companies Act, 2013, SEBI (SBEB & SE) Regulations, as amended, and all relevant revenue, tax, securities or exchange control regulations or corporate laws of India to the extent applicable.

4.1.3 “**Associate Company**” shall have the same meaning as defined in section 2(6) of the Companies Act, 2013, as amended from time to time.

4.1.4 “**Board of Directors**” means the Board of Directors of the Company.

4.1.5 “**Body Corporate**” shall have the same meaning as defined in section 2(11) of the Companies Act, 2013, as amended from time to time.

4.1.6 “**Cash Mechanism**” means a route under which the Grantee will receive the Shares equivalent to the number of the Options Exercised after the Grantee has made the payment of the Exercise Price, applicable tax and other charges, if any, in accordance with the terms and conditions of the Scheme and as mentioned in Grant Letter.

4.1.7 “**Committee**” means Nomination and Remuneration Committee of the Company, designated as Compensation Committee for the purpose of monitoring, administering, superintending, and implementing the Scheme in compliance with SEBI (SBEB & SE) Regulations.

4.1.8 “**Company**” means Kintech Renewables Limited.

4.1.9 “**Corporate Action**” means a change in the capital structure of the Company as a result of bonus issue, rights issue, split of Shares and consolidation of Shares.

**4.1.10 “Directors”** shall have the same meaning as defined under section 2(34) of the Companies Act, 2013.

**4.1.11 “Employee”** means

- (a) an Employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) a Director of the Company, whether a Whole Time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director

but does not include

- (a) an Employee who is a Promoter or a person belonging to the Promoter Group; or
- (b) a Director who, either himself or through his Relative or through any Body Corporate directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

**4.1.12 “Eligibility Criteria”** means the criteria, as may be determined from time to time by the Committee, for Grant of Options.

**4.1.13 “Exercise”** means making an application, in such manner and in such format as may be prescribed by the Committee, from time to time, by the Grantee, to the Committee for allotment of Shares, against Vested Options.

**4.1.14 “Exercise Period”** means the time period after Vesting within which a Grantee can Exercise.

**4.1.15 “Exercise Price”** means the price payable by the Grantee for exercising the Options vested in him in pursuance of the Scheme.

**4.1.16 “Grant”** means the issue of Options to the Grantee under the Scheme.

**4.1.17 “Grant Date”** means the date on which the Committee approves the Grant.

**Explanation:** For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

**4.1.18 “Grant Letter”** means the written or electronic agreement between the Company and a Grantee setting forth the terms and conditions applicable to a Grant to the Grantee under the Scheme.

**4.1.19 “Grantee”** shall mean an Employee to whom Options have been granted under the Scheme.

**4.1.20 “Independent Director”** shall have the same meaning assigned to it under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

**4.1.21 “Long Leave”** means an approved leave taken by the Grantee for a period of more than three months out of twelve months starting from the date of Grant / Vesting, as the case may be.

Provided that the period of Long Leave shall not include the period in which the Grantee is on a sabbatical or maternity leave. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Long Leave unless otherwise determined by the Committee.

**4.1.22 “Market Price”** means the latest available closing price on a Recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the relevant date.

*Explanation – If such shares are listed on more than one recognised stock exchange, then the closing price on the recognised stock exchange having higher trading volume shall be considered as the market price.*

**4.1.23 “Options / Employee Stock Options”** means a right but not an obligation granted to a Grantee to purchase or subscribe at a future date, the Shares offered by the Company, directly or indirectly, at a pre- determined price, in accordance with this Scheme.

**4.1.24 “Permanent Incapacity”** means any disability of whatsoever nature, be it physical, mental or otherwise, which incapacitates or prevents or handicaps a Grantee from performing any specific job, work or task which the said Grantee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Company.

**4.1.25 “Promoter”** shall have the same meaning as defined to it under SEBI (Issue

of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

**4.1.26 “Promoter Group”** shall have the same meaning as defined to it under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

**4.1.27 “Recognised Stock Exchange”** means a stock exchange which has been Granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956.

**4.1.28 “Relative”** shall have the same meaning as defined in section 2(77) of the Companies Act, 2013, as amended from time to time.

**4.1.29 “Relevant Date”** means the date of the meeting of the Committee on which the Grant is made.

**4.1.30 “Scheme”** shall mean Kintech Renewables Limited Employees Stock Option Scheme – 2023 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof from time to time.

**4.1.31 “SEBI (SBEB & SE) Regulations”** means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof.

**4.1.32 “SEBI (LODR) Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall include any alteration(s), amendment(s), addition(s), deletion(s), modification(s), or variation(s) thereof.

**4.1.33 “Shares”** means Equity Shares of the Company.

**4.1.34 “Unvested Option”** means an Option, which is not vested.

**4.1.35 “Vested Option”** means an Option, which has vested in pursuance to the Scheme and has thereby become exercisable.

**4.1.36 “Vesting”** means the process by which the Grantee becomes entitled to

receive the benefit of a Grant made to him under the Scheme.

**4.1.37 “Vesting Date”** means the date on and from which the Option vests with the Grantees and thereby become exercisable.

**4.1.38 “Vesting Period”** means the period during which the vesting takes place.

**4.1.39 “Whole Time Director”** shall have the same meaning as defined in section 2(94) of the Companies Act, 2013, as amended from time to time.

**Interpretation:**

***In this document, unless the contrary intention appears:***

- a) The singular includes the plural and vice versa;*
- b) The word “person” includes an individual, a firm, a Body Corporate or unincorporated body or authority;*
- c) Any word or expression importing the masculine, feminine or neutral genders only, shall be taken to include all three genders;*
- d) Any word which is not defined under the Scheme and is not otherwise elaborated or addressed in the Grant Letter or in the Company’s policies shall be interpreted in line with SEBI (SBEB & SE) Regulations, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013;*
- e) Articles, headings are for information only and shall not affect the construction of this document;*
- f) A reference to an article is respectively a reference to an Article of this document; and*
- g) Reference to any act, rules, statute or notification shall include any statutory modification, substitution or re-enactment thereof.*

**5. Implementation & Administration:**

**5.1** The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment and will follow cash mechanism.

Provided that if prevailing circumstances so warrant, the Company may change the mode of implementation of the Scheme subject to the condition that a fresh approval of the Shareholders by a special resolution is obtained prior to



implementing such a change and that such a change is not prejudicial to the interests of the Grantees.

- 5.2** The Company will allot fresh Shares to the Grantees upon successful Exercise of Options in accordance with terms and conditions of the Scheme.
- 5.3** Subject to Applicable Laws and the framework laid down by the Board of Directors, the Scheme shall be administered by the Committee which may delegate some or all of its administrative power to any other sub – committee or persons for proper administration of the Scheme.
- 5.4** The Committee is authorized to interpret the Scheme, to establish, amend and rescind any rule(s) and regulation(s) relating to the Scheme and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Scheme.
- 5.5** Any decision of the Committee in the interpretation and administration of the Scheme, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all the parties concerned (including but not limited to, Grantee and/ or Employee and their nominees / legal heirs).
- 5.6** The Committee shall subject to Applicable Laws, inter alia, have powers to do following:
  - 5.6.1** To adopt rules and regulations for implementing the Scheme from time to time
  - 5.6.2** To delegate its administrative powers in whole or in part as it may decide from time to time to any person or sub-committee.
  - 5.6.3** To decide upon re-granting of Options which were lapsed, forfeited or surrendered under any provisions of the Scheme.
  - 5.6.4** To increase or decrease the pool of Options to be granted under Scheme.
  - 5.6.5** To increase or decrease the pool of Shares to be issued under Scheme.
  - 5.6.6** To identify the Employees eligible to participate in the Scheme.
  - 5.6.7** To finalize the Eligibility Criteria for Grant of Options.
  - 5.6.8** To determine the Employees eligible for Grant of Options.
  - 5.6.9** To determine the number of Options to be granted to each Grantee and in aggregate subject to the pool of Options of the Scheme.
  - 5.6.10** To decide upon granting of Options to new Joinees.
  - 5.6.11** To determine the Grant Date.
  - 5.6.12** To Grant Options to one or more eligible Employees.

- 5.6.13** To determine the number of Shares of the Company to be covered by each Option granted under the Scheme.
- 5.6.14** To extend the period of acceptance of Grant
- 5.6.15** To decide the Exercise Period within which Employees can Exercise the Option.
- 5.6.16** To determine the Grant, Vesting and Exercise of Options for Employees on Long Leave.
- 5.6.17** To determine and calculate the Exercise Price.
- 5.6.18** To decide the Vesting Period subject to minimum and maximum period of Vesting as stated in Scheme.
- 5.6.19** To determine the vesting schedule for each Grantee.
- 5.6.20** To finalize the eligibility criteria for vesting of Options.
- 5.6.21** To determine the Employees eligible for vesting of Options.
- 5.6.22** To decide upon the mode and manner of Exercise.
- 5.6.23** To determine the method for exercising the Vested Options.
- 5.6.24** Determine the procedure for funding the Exercise of Options.
- 5.6.25** To determine the right of an Employee to exercise all Vested Options at one time or at various points in time within the Exercise Period.
- 5.6.26** To allot Shares to Grantees upon exercise.
- 5.6.27** To decide upon treatment of vested and unvested Options in cases of cessation of employment as specified in the Scheme.
- 5.6.28** To decide upon the treatment of vested and unvested Options in the event of Corporate Actions taking into consideration the following:
- a.** the number and price of Options shall be adjusted in a manner such that the total value to the Grantee of the Options remains the same after the Corporate Action;
  - b.** the vesting period and the life of Options shall be left unaltered as far as possible to protect the rights of the Grantee who has been granted such Options.
- 5.6.29** To cancel all or any granted Options in accordance with the Scheme.
- 5.6.30** To modify the vesting schedule and accelerate the Vesting of Options on a case-to-case basis, subject to completion of minimum 1 year from the date of Grant.
- 5.6.31** To decide upon treatment of Vested and Unvested Options in cases of dispute between the Grantee and Company.
- 5.6.32** To finalize letters and other documents, if any, required to be issued under the Scheme.
- 5.6.33** To reprice the Options which are not exercised, whether or not they have been vested, if the Options rendered unattractive due to fall in the price of

the Shares in the market.

- 5.6.34** To establish, amend, suspend or waive such rules and regulations as it shall deem appropriate for the proper administration of the Scheme.
- 5.6.35** To appoint such agents as it shall deem necessary for the proper administration of the Scheme.
- 5.6.36** To determine or impose other conditions to the Grant of Options under the Scheme, as it may deem appropriate.
- 5.6.37** To determine the terms and conditions, not inconsistent with the terms of the Scheme, of any Option granted hereunder.
- 5.6.38** To construe and interpret the terms of the Scheme, and the Options granted pursuant to the Scheme.
- 5.6.39** To frame rules and regulations, prescribe forms and issue circulars or orders in relation to the Scheme and may from time to time amend, recall or replace such rules and regulations, forms, orders and circulars.
- 5.6.40** To frame suitable policies and procedure to ensure that there is no violation of securities laws, including the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 as amended, by the Company or the Employees.
- 5.6.41** To determine the procedure for buy-back of Options granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions, in accordance with the Applicable Laws.

**5.7** The powers and functions of the Committee can be specified, varied, altered or modified from time to time by the Board of Directors, subject to the rules and regulations as may be in force. The Board of Directors may further provide that the Committee shall exercise certain powers only after consultation with the Board of Directors and in such case, the said powers shall be exercised accordingly.

**5.8** A member of the Committee shall abstain from participating in and deciding on any matter relating to Grant of any Options to himself.

## **6. Pool of the Scheme:**

**6.1** The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 2,00,000 (Two Lakhs) Options which shall be convertible into equal number of Shares.

**6.2** If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further Grant under the

Scheme unless otherwise determined by the Committee.

**6.3** Further, the maximum number of Options that can be Granted and the Shares arise upon Exercise of these Options shall stand adjusted in case of Corporate Action.

**6.4** The Company reserves the right to increase or decrease such number of Options and Shares as it deems fit, in accordance with the Applicable Law.

## **7. Eligibility Criteria's:**

**7.1** The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Grant of Options under the Scheme, the number of Options to be Granted and the terms and conditions thereof.

- Longevity of Service: It will be determined on the basis of tenure of employment of an Employee in the Company.
- Performance of Employee: Employee's performance during the financial year in the Company on the basis of decided parameters.
- Performance of Company: Performance of the Company as per the standards set by the Committee / Board of Directors from time to time.
- Any other criteria as decided by the Committee in consultation with Board of Directors from time to time.

**7.2** The Employees satisfying the Eligibility Criteria shall be termed as eligible Employee.

**7.3** New Joinees can also participate in the Scheme and be Granted Options based upon the discretion of the Committee.

**7.4** Nothing in the Scheme or in any Option Granted pursuant to the Scheme shall confer on any Employee, any right to continue in the employment of the Company or interfere in any way with the right of the Company to terminate the Employee's employment at any time.

## **8. Grant of Options:**

**8.1** The Committee shall Grant Options to one or more eligible Employees, in accordance with the terms and conditions of the Scheme for the time being in force and subject to Employee's employment terms or his continuity in the employment, and other

parameters as set out by the Committee, if any.

- 8.2** Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be Granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant. The Committee may decide to Grant such number of Options equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.
- 8.3** The Grant of Options shall be communicated to the eligible Employees in writing through Grant Letter specifying the Vesting Date, number of Options Granted, Exercise Price, vesting schedule, and the other terms and conditions thereof.
- 8.4** No amount shall be payable by an Employee at the time of Grant of Options.
- 8.5** Upon Grant, an eligible Employee shall become Grantee under the Scheme.
- 8.6** Subject to the Corporate Action(s) taken by the Company, if any, the Grant of 1 (One) Option to an Employee under this Scheme shall entitle the holder of the Option to apply for 1 (One) Share in the Company upon payment of Exercise Price, applicable taxes and other charges, if any.
- 8.7** The Options Granted to the eligible Employees shall not be transferable to any other person.
- 8.8** The Options Granted to the eligible Employees shall not be pledged, hypothecated, mortgaged or otherwise encumbered or alienated in any other manner.

## **9. Vesting of Options:**

- 9.1** Vesting Period shall commence from the Grant Date subject to minimum of 1 (One) year from the Grant Date and a maximum of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.

Provided further that in the event of death or Permanent Incapacity of a Grantee, the minimum Vesting Period of one year shall not be applicable and in such instances, the Options shall vest in terms of SEBI (SBEB & SE) Regulations, on the date of the death or Permanent Incapacity.

9.2 Vesting of Options can vary from Grantee to Grantee as per the discretion of the Committee whose decision shall be final and binding.

9.3 The vesting schedule will be clearly defined in their Grant Letter of respective Grantees subject to the minimum and maximum Vesting Period as specified in article 9.1 above.

However, the suggestive vesting schedule is as follows:

Time Period	% Of Options to be vested
At the end of 1 <sup>st</sup> year from the grant date	20% of the Options Granted
At the end of 2 <sup>nd</sup> year from the grant date	20% of the Options Granted
At the end of 3 <sup>rd</sup> year from the grant date	20% of the Options Granted
At the end of 4 <sup>th</sup> year from the grant date	20% of the Options Granted
At the end of 5 <sup>th</sup> year from the grant date	20% of the Options Granted

9.4 The actual Vesting will be subject to the continued employment of the Grantee and may further be linked with the certain performance and other criteria, as determined by the Committee and mentioned in the Grant Letter.

9.5 The Committee shall have the power to modify or accelerate the vesting schedule on a case-to-case basis subject to the minimum gap of 1 (One) Year between the Grant and first Vesting.

9.6 Further any fraction entitlement, to which the Grantee would become entitled to upon Vesting of Options (*other than the last tranche of vesting*), then the Options to be actually vested be rounded off to the nearest lower integer. Accordingly, in the last vesting, the number of the Options to be vested shall include the Options which was not earlier vested due to fraction adjustment.

9.7 The Vesting of Options shall be communicated to the eligible Grantees in writing through vesting letter.

9.8 The Grantee is not required to pay any amount at the time of Vesting of Options.

## 10. Exercise of Options:

10.1 After Vesting, Options can be Exercised either wholly or partly, within a maximum period of 1 (One) year from the date of last Vesting, through Cash Mechanism after submitting the Exercise application along with payment of the Exercise Price,

applicable taxes and other charges, if any.

- 10.2** Failure to comply within this time period, shall result in lapsing of Vested Options in the hands of Grantee. The amount paid by the Employee, if any, for the Exercise of Options may be refunded, if the Options are not Exercised by the Employee within the Exercise Period.
- 10.3** The mode and manner of the Exercise shall be communicated to the Grantees individually.
- 10.4** Upon valid exercise the Company will allot the requisite number of Shares to the Grantee. Shares so allotted shall rank pari-passu to the existing Shares of the Company. The said allotment will be made only if they hold a Demat Account in their or at least the Grantee should be the first holder in case of joint accounts.
- 10.5** Upon such allotment, the Grantee shall become a member of the Company.
- 10.6** The Grantee may avail the financing facility if provided by the Company either through its own or from any third party, from time to time. In such case, allotment of Shares shall be made only after the receipt of Exercise Form, Exercise Price, applicable Income Tax and other charges, if any.
- 10.7** Notwithstanding anything contained elsewhere in the Scheme, the Company, may not allot Shares, in the event of the Grantee being found to be involved in fraud, misfeasance, moral turpitude, misconduct, gross negligence, breach of trust and in such an event(s) the rights under the Options (whether vested or not) shall lapse, forthwith, without any claim on, or recourse to the Company.
- 10.8** If the Vesting or Exercise of Options is prevented by any law or regulation in force and/ or the Company is forbidden to allot the Shares pursuant to Exercise of Options under such law or regulation, then in such an event the Company shall not be liable to compensate the Grantee in any manner whatsoever.
- 10.9** The Committee shall have the power to cancel all or any of the Options Granted under the Scheme, if so required, under any law for the time being in force or the order of any jurisdictional court. In the event of any such cancellation, the Company shall not be liable to compensate the Grantee in any manner.

## **11. Exercise Price:**

- 11.1** Under this Scheme, the Exercise Price will be decided by the Committee on the basis

Market Price as defined in the Scheme.

- 11.2** Further, the Committee has the power to re-price the Grants in future if the Grant made under the Scheme is rendered unattractive due to the fall in the price of Shares, after complying the conditions as mentioned in the SEBI (SBEB & SE) Regulations.
- 11.3** The aggregate Exercise Price payable at the time of Exercise shall be paid by the Grantee, as per his/ her own discretion (*not opting for financing Options*), by cheque, demand draft, NEFT or deduction from salary (if salary of the month of Exercise is not paid and is sufficient for payment of Exercise Price) in the name of the Company. However, in case the Grantee has availed financing option as stated in Article 10.6, the aggregate Exercise Price shall be paid at any time before allotment of Shares as per the terms and conditions of financing.
- 11.4** The tax amount arising at the time of Exercise shall be paid by the Grantee, as per his/ her own discretion (*not opting for financing Options*), by cheque, demand draft, NEFT or deduction from salary (if salary of the month of Exercise is not paid and is sufficient for payment of Exercise Price) in the name of the Company. However, in case the Grantee has availed financing option as stated in Article 10.6, the aggregate income tax shall be paid at any time in the month of Exercise before allotment of Shares as per the terms and conditions of financing.

## **12. Cessation of Employment:**

### **12.1 In the event of cessation of employment due to death**

- a)** All Options Granted as on date of death would vest in the legal heirs / nominee of the Grantee on that day. The Options would be exercisable by the legal heirs / nominee within a period of 12 (Twelve) months from the date of death or expiry of Exercise Period, whichever is earlier, failing which all the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.
- b)** All other terms and conditions of the Scheme shall apply to such Options. Provided that, in order to Exercise the Options of the deceased Grantee, the legal heirs / nominee have to submit the following documents to the Company, to the satisfaction of the Committee and the Committee may at its discretion waive off the requirement to submit any of the documents:



**A. In case the nominee is not appointed**

- Copy of the succession certificate / probate of will / letter of administration.
- No objection certificate from the other legal heirs.
- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self – attested).
- Copy of address proof (self – attested)

**B. In case nominee is appointed**

- Photo copy of the death certificate duly attested by the proper authority (English translated version if in the vernacular language)
- Specimen signature of the person(s) in whose name Shares are to be transmitted (duly attested by the bank)
- Copy of PAN card of the applicant (self – attested).
- Copy of address proof (self – attested)

**12.2 In the event of cessation of employment due to Permanent Incapacity:**

All Options Granted to Grantee as on date of Permanent Incapacity would vest in Grantee on that day. The Options would be exercisable within a period of 12 (Twelve) months from the date of Permanent Incapacity or expiry of Exercise Period, whichever is earlier, failing which all the unexercised Options shall lapse irrevocably and the rights there under shall be extinguished.

**12.3 In the event of cessation of employment due to resignation or termination** *(not due to misconduct, moral turpitude or ethical/ compliance violations or like event)*

- a) All Unvested Options, on the date of cessation, shall expire and stand terminated with effect from that date.
- b) All Vested Options shall be exercisable by the Grantee by the last working day in the Company or before expiry of Exercise Period, whichever is earlier. The Vested Options not so Exercised shall lapse irrevocably and the rights there under shall be extinguished.

**12.4 In the event of cessation of employment due to retirement/ superannuation**

- a) All Unvested Options, on the date of cessation, shall expire and stand terminated with effect from that date unless otherwise determined by the Committee whose decision will be final and binding.
- b) All Vested Options shall be exercisable by the Grantee by the last working day in the Company or before expiry of Exercise Period, whichever is earlier. The Vested Options not so Exercised shall lapse irrevocably and the rights there under shall be extinguished.

**12.5 In the event of cessation of employment due to termination** *(due to misconduct, moral turpitude or ethical/ compliance violations or like event)*

- a) All Unvested Options, on the date of termination, shall expire and stand terminated with effect from that date.
- b) All Vested Options shall stand terminated with immediate effect, unless otherwise determined by the Committee, whose determination will be final and binding. The Committee, at its sole discretion shall decide the date of termination of a Grantee, and such decision shall be binding on all concerned.

**12.6** In the event that a Grantee is **transferred or deputed to an Associate Company** prior to Vesting or Exercise of Options, the Vesting and Exercise of Options, as per the terms of Grant, shall continue even after such transfer or deputation.

**12.7** In the event of **Abandonment of service by the Grantee**, all Options (Vested Options or Unvested Options) at the time of Abandonment of service, shall stand terminated forthwith. The date of Abandonment of service by the Grantee shall be decided by the Committee at its sole discretion which decision shall be binding on such Grantee.

**12.8** In the event of a **Grantee going on Long Leave**, the treatment of Options Granted to him/ her, whether vested or not, shall be determined by the Committee, whose decision shall be final & binding.

**12.9** In the event where a Dispute arises between Grantee and the Company, vesting and/ or Exercise of Options will be put on hold till the date of settlement, to the satisfaction of the Committee & Grantee.

**12.10** In the event that a Grantee is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing Company, prior to the Vesting or Exercise, the treatment of Options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the Grantee.

**12.11** The Committee may modify the terms for cessation of employment as mentioned in foregoing paras 12.1 to 12.10.

**13. Lock in requirements:**

**13.1** The Shares allotted to the Grantees pursuant to Exercise of Options will not be subject to any lock-in period and can be freely sold by the Grantee.

**14. Other terms and conditions:**

**14.1** Nothing herein is intended to or shall give the Grantee, any right to status of any kind as a shareholder of the Company in respect of any Share covered by the Grant unless the Grantee exercises the Options and becomes the registered shareholder of the Company.

**14.2** The Grantee shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to Exercise Options in whole or in part.

**14.3** Any statutory taxes or other charges applicable on such Vesting or Exercise of such Options would be the sole liability and responsibility of the Grantee, and the Grantee will not have any recourse to the Company in this regard.

**14.4** The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Recognized Stock Exchanges as on the Date of Exercise of Options and the Exercise Price paid by the Employee.

**14.5** The Grantee shall abide by the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 as may be amended from time to time, Company's Code of Conduct for prevention of insider trading and Code of practices and procedures for fair disclosure of unpublished price sensitive information adopted by the Company under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Further, the Grantee shall indemnify and keep indemnified the Company in respect of any direct or indirect liability arising as a result or consequence of the violation of above, if applicable.

**15. Notices and correspondence:**

**15.1** Any notice required to be given by a Grantee to the Company or the Committee or any correspondence to be made between a Grantee and the Company or the Committee may be given or made to the Company / Committee at the corporate office or registered office of the Company or at the place as may be notified by the Company / Committee in writing or at the specific designated email id of the Company.

**15.2** Any notice, required to be given by the Company or the Committee to a Grantee or any correspondence to be made between the Company or the Committee and a Grantee shall be given or made by the Company or the Committee on behalf of the Company at the address as stated in the official records of the Company or at the official email Id of the Grantee.

**16. Nomination of Beneficiary:**

**16.1** Each Grantee under the Scheme may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit under the Scheme is to be delivered in case of his or her death before he receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Grantee, shall be in a form prescribed by the Company and will be effective only when filed by the Grantee in writing with the Company during the Grantee's lifetime.

**16.2** If the Grantee fails to make a nomination, the Shares shall Vest on his/ her legal heirs in the event of his/ her death.

**17. Corporate Action:**

**17.1** Except as hereinafter provided, any Grant made shall be subject to adjustment, by the Committee, at its discretion, as to the number and price of Options or Shares, as the case may be, in the event of 'Corporate Action' as defined herein.

**17.2** If there is a 'Corporate Action' of the Company before the Options Granted under this Scheme are Exercised, the Grantee shall be entitled on Exercise of the Options, to such number of resultant Shares to which he/she would have been entitled as if all of the then outstanding Options exercised by him/her, had been exercised before such

‘Change in the Capital Structure’ had taken place and the rights under the Options shall stand correspondingly adjusted. In the event of a Corporate Action, the Committee, subject to the provisions of Applicable Law, shall make fair and reasonable adjustments under the Scheme, as it deems fit, with respect to the number of Options, Exercise Price and make any other necessary amendments to the Scheme for this purpose. The Vesting Period and life of the Options shall be left unaltered as far as possible.

**17.3** In the event of severance of employment of a Grantee, as a part of reconstitution / amalgamation / sell-off or otherwise, the Options granted and not exercised before such reconstitution / amalgamation / sell-off, shall be exercised as per the terms and conditions determined in the relevant scheme of such reconstitution / amalgamation / sell-off not prejudicial to the interest of the Grantee.

**17.4** In the event of a dissolution or liquidation of the Company, the Company will notify the Grantees as soon as practicable prior to the effective date of such dissolution or liquidation and the treatment of Options Granted (whether Vested or not) shall be decided by the Committee.

#### **18. Disclosure and Accounting Policies:**

**18.1** The Company shall make all the necessary disclosures required under the provisions of the SEBI (SBEB & SE) Regulations and other Applicable Law. The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

**18.2** Compensation cost will be booked in the books of account of the Company over the vesting period.

**18.3** The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations or as may be prescribed by regulatory authorities from time to time.

#### **19. Taxability on the Grantee:**

**19.1** The exercisable Options are subject to the applicable provisions of the Income tax Act, 1961.

There would be following points of Taxation on the Grantee:

- **Point 1:** At the time of Exercise, the difference between the Market Price of the Shares as on date of Exercise and the Exercise Price will be added as a perquisite under salary in the month of Exercise. The Grantee will be liable to pay the taxes at the individual slab rate in which he falls.

Eg: Exercise Price= Rs. 100 per Option / Market Price of Share on Exercise = Rs. 150 per Share / Perquisite = Rs.150 – Rs.100 = Rs.50/- per Share.

Suppose Employee falls in 30% slab, his perquisite tax will be Rs.15/-

- **Point 2:** At the time of sale of the Shares of the Company by the Grantee. On selling of the Shares, the concerned Employee would be liable to income tax as per the applicable provisions of the laws at the time of sale of the Shares.

Eg: In continuation of the above example mentioned in **Point 1**.  
Sale Price/ Market Price = Rs. 300 per option/ Taxable Amount =  
Rs. 300 – Rs. 150 = Rs. 150/- per share.

LTCG =  $150 * 10\% = \text{Rs. } 15\text{- per share.}$

or

STCG =  $150 * 15\% = \text{Rs. } 22.5\text{/ per share.}$

## 20. Surrender of Options:

**20.1** Any Grantee to whom the Options are Granted under this Scheme, may at any time, surrender his Options to the Company. In such case the Company would not be liable to pay any compensation to the Grantee on account of his surrender of Options. The Options so surrendered will be added back to the pool of the Scheme and pursuant to this the Grantee shall cease to have all rights and obligations over such Options.

## 21. Dispute:

**21.1** In the event of a dispute arising out of or in relation to the provisions of this Scheme (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such dispute through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after reasonable attempts, which attempt shall continue for not more than 30 days, gives 10 days' notice thereof to the other party in writing.

**21.2** In case of such failure, the party may refer the dispute to a mutually appointed arbitrator. The arbitration proceedings shall be held in New Delhi under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing. The arbitrator shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at New Delhi.

**22. Governing Law:**

**22.1** This Scheme and all related documents there under shall be governed by and construed in accordance with the SEBI (SBEB & SE) Regulations and other Applicable Law.

**22.2** Any term of the Scheme that is contrary to the requirement of the SEBI (SBEB & SE) Regulations or any other Applicable Law shall not apply to the extent of such contradiction. The provisions of this Scheme are severable; and if any provision(s) is/are held to be illegal, invalid or unenforceable, then to the extent permitted by Applicable Law, such provision(s) shall not affect the legality or validity of the Scheme or the acts done thereunder.

**23. Regulatory Approvals:**

**23.1** The implementation of the Scheme, the Granting of any Options under the Scheme and the issuance of any Shares under this Scheme shall be subject to the procurement by the Company and the Grantee / nominee / legal heirs of all approvals and permits, if any, required by any regulatory authorities having jurisdiction over the Scheme. The Grantee / nominee / legal heirs under this Scheme will, if requested by the Committee / Company, provide such assurances and representations to the Company or the Committee, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

**24. Modification of Scheme:**

**24.1** Subject to the Applicable Law, the Committee may, at any time:

**24.1.1** Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Scheme or all or any of the rights and obligations of the Grantee;

**24.1.2** Formulate various sets of special terms and conditions in addition to those set

out herein, to apply to the specific Grantee or class or category of Grantees. Each of such sets of special terms and conditions shall be restricted in its application to those specific Grantee or class or category of such Grantees.

**24.2** Any amendment, variation or modification under the Scheme shall not be prejudicial to the interest of the Grantees of the Company.

**25. Confidentiality:**

**25.1** Notwithstanding anything contained in this Scheme, the Grantee shall not divulge the details of the Scheme and/or his holdings to any person except with the prior written permission of the Committee unless so required to do under the Applicable Law or any statutes or regulations applicable to such Grantee.

\*\*\*\*\* End of the Scheme \*\*\*\*\*

**SACHIN  
KUMAR** Digitally signed  
by SACHIN  
KUMAR  
Date: 2023.10.04  
18:24:25 +05'30'





**SG Mart Limited**

**CIN: L46102GJ1985PLC013254**

**Regd. Office:** Kintech House, 8, Shivalik Plaza, Opp. AMA, IIM Road, Ahmedabad- 380015

**Corporate Office:** Unit No. 705 GDITL Tower Plot No. B-8 Netaji Subhash Place, Pitampura Delhi 110034

**Email:** [compliance@sgmart.co.in](mailto:compliance@sgmart.co.in) ; **Website:** [www.sgmart.co.in](http://www.sgmart.co.in) **Tel:** (091)-9205556113

## **NOTICE OF POSTAL BALLOT**

**[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]**

**To,  
Dear Member(s),**

NOTICE is hereby given pursuant to Section 110 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") under the Companies Act, 2013 ("the Act 2013") the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ("MCA Circulars"), as may be applicable and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), for obtaining approval of the members, by way of ordinary/special resolutions, through Postal Ballot, including electronic means (e-Voting), for the businesses as set out in this Notice.

The draft of the resolutions to be passed together with the statement of material facts explaining the reasons thereof, pursuant to Section 102(1) of the Act 2013, are being sent to the members in electronic form to their registered e-mail IDs.

The Company is pleased to provide the facility for voting through 'electronic means' to enable members to cast their votes through remote e-Voting by selecting appropriate options, in accordance with the provisions of the Companies Act, 2013 and Regulation 44 of the Listing Regulations.

The Company, for this purpose, has engaged National Securities Depository Limited (NSDL), an agency authorized by the Ministry of Corporate Affairs (MCA), for facilitating the members to communicate their assent or dissent through "electronic means" in respect of the resolutions.

The detailed procedure for voting through "electronic means" are given in the Notes attached herewith.

The voting rights of the shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, Friday, January 5, 2024. A person who is not a member as on the cut-off date should treat this notice for information purposes only. The voting rights in respect of unclaimed shares held in Investors Education Protection Fund stand frozen in terms of Regulation 39 read with Schedule VI of the Listing Regulations and Section 124 of the Act, 2013.

The Board of Directors (the Board) has appointed Shri Jatin Gupta, having Membership Number FCS 5651, COP No. 5236, Practising Company Secretary, Delhi, as the Scrutinizer, at its meeting held on Monday, January 8, 2024, for conducting the postal ballot process (voting by "post" and through "electronic means") in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

Members are, therefore, requested to carefully read and follow the instructions for voting by electronic means and cast their votes electronically during the voting period from Thursday, January 11, 2024, 9.00 A.M (IST) to Friday, February 9, 2024, 5.00 P.M (IST) by following the procedures as explained in the Notes herein below.

The Scrutinizer will submit his consolidated report on the results of voting by "electronic means" to any one of the directors/KMPs of the Company as authorised, after completion of the scrutiny of voting by electronic means.

The results will be announced by any one of the directors/KMPs of the Company, as authorized, at its registered office/corporate office latest by Saturday, February 10, 2024.

The last date of voting, i.e., Friday, February 9, 2024 will be taken as the date of passing of the resolutions by the members of the Company.

Members requiring any clarification may contact Mr. Sachin Kumar, Company Secretary at the corporate office of the Company or through e-mail viz [compliance@sgmart.co.in](mailto:compliance@sgmart.co.in) .

All documents, referred to in this Notice and in the Statement of material facts referred to under Section 102(1) of the Companies Act, 2013, are open for inspection at the Corporate Office of the Company during office hours on all working days between 10.00 A.M. and 12.00 Noon upto Friday, February 9, 2024.

Members may note that this Postal Ballot Notice will also be available on Company's website ([www.sgmart.co.in](http://www.sgmart.co.in)) and the website of BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Securities Depository Limited ('NSDL')'s website ([www.evoting.nSDL.com](http://www.evoting.nSDL.com)).

## **SPECIAL BUSINESSES**

### **ITEM NO. 1: SUB-DIVISION OF FACE VALUE OF EQUITY SHARES OF THE COMPANY FROM ₹10/- (RUPEES TEN ONLY) EACH TO ₹1/- (RUPEE ONE) EACH:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 61(1)(d), 64 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and Rules framed thereunder including the statutory modifications thereto and re-enactments thereof for the time being in force and the provisions of Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other rules, regulations, circulars, notifications etc. issued thereunder, subject to such approvals and consents from appropriate authorities, the consent of the Members of the Company be and is hereby accorded for sub-division of each equity share of face value of ₹10/- (Rupees Ten Only) into face value of ₹1/- (Rupee One Only) each.

**RESOLVED FURTHER THAT** the consequent to sub-division/split in face value of Equity Shares from ₹10/- each to ₹1/-, resulting into 10 Equity Shares of ₹1/- each for existing 1 Equity Share of ₹10/- each, conversion ratio for outstanding warrants stand changed to 1 (one) Warrant being convertible, at the option of the warrant-holder by paying the remaining 75% consideration within the time limit prescribed under the provisions of the SEBI (ICDR) Regulations, 2018, into 10 (Ten) Equity Shares of ₹1/- (Rupee One Only).

**RESOLVED FURTHER THAT** pursuant to the split/sub-division of face value of equity shares of the Company, all the issued, subscribed and paid-up equity shares of face value of ₹10/- (Rupees Ten only) each of the Company existing on the record date to be fixed by the Board of Directors shall stand sub-divided into equity shares of face value of ₹1/- (Rupee One only) each fully paid up, shall rank *pari-passu* in all respects with the existing fully paid equity share of ₹10/- each of the company and shall be entitled to participate in full dividend to be declared after sub-divided Equity shares are allotted.

**RESOLVED FURTHER THAT** upon Sub-Division of face value of Equity Shares, as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the nominal value of ₹10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the “Record Date” to be fixed by the Company and Company may without requiring the surrender of existing share certificate(s) directly issue and dispatch the new share certificate(s) of the Company, in lieu thereof, subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of members who hold the Equity Shares / opt to receive the sub-divided Equity Shares in dematerialized form, the subdivided Equity Shares of nominal value of ₹1/- (Rupee One only) each shall be credited to the respective beneficiary account of the members with their respective

depository participants and the Company shall undertake such Corporate Action(s) as may be necessary in relation to the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to make appropriate adjustments due to sub-division of shares as aforesaid for the outstanding options under “Kintech Renewables Limited Employee Stock Option Scheme-2023” of the company, pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendments thereto from time to time, such that the exercise price for all outstanding options as on the ‘record date’ (as determined by the Board) (granted and ungranted options), shall be proportionately adjusted in a manner such that total value of Options remains same before and after adjustment

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary in relation to the above including the matters incidental thereto and to execute all such documents, instruments and writings as may be required in this connection and, to give effect to the aforesaid resolution including but not limited to fixing of the record date as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto and such other applicable provisions/ enactments and amendments from time to time, execution of all necessary documents with the Stock Exchange and the Depositories and/or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the split/sub-division of the Equity Shares as aforesaid or for any matters connected therewith or incidental thereto and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any committee of directors or the Executive Director or any director(s) or any other Key Managerial Personnel or any other officer(s) of the Company”

## **ITEM NO. 2 – ALTERATION OF ‘CAPITAL CLAUSE’ OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including statutory modification (s) or enactment (s) thereof, for the time being in force), subject to such approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to alter and substitute the existing clause V of the Memorandum of Association of the Company with the following new Clause V:

**“The Authorised Share Capital of the Company is ₹15,00,00,000 (Rupees Fifteen Crores only), divided into 15,00,00,000 (Fifteen Crores) Equity Shares of ₹1/- (Rupee One) each.”**

**FURTHER RESOLVED THAT** any director and/or company secretary of the Company be and is hereby severally authorized to do all such act(s), deed(s) and things including all forms, documents filing with Registrar of Companies as may be necessary and incidental to give effect to the aforesaid Resolution.”

### **ITEM NO. 3: ISSUE OF BONUS EQUITY SHARES TO THE SECURITYHOLDERS OF THE COMPANY**

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

**“RESOLVED THAT** in accordance with the provisions of Section 63 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or reenactment thereof for the time being in force), the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations, rules and guidelines issued by SEBI, Reserve Bank of India (“RBI”) and any other statutory authority from time to time, the enabling provisions of the Articles of Association of the Company and such other approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities and subject to such terms and modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions or modifications by the Board of Directors, approval of the members be and is hereby accorded to the Board of Directors of the Company (‘the Board’, which term shall include any Committee authorized by the Board to exercise its powers including powers conferred on the Board by this resolution) for capitalization of a sum not exceeding 5,57,70,000 (Rupees Five Crore Fifty Seven Lakhs Seventy Thousand only) from and out of the Securities Premium account/retained earnings/ free reserves and / or any other permitted reserves/surplus of the Company, as may be considered appropriate for the purpose of issue of Bonus Equity Shares of 5,57,70,000 as fully paid to the eligible members of the Company whose name(s) appear in the Register of Members on ‘Record Date’ to be determined by the Company for this purpose, in proportion of 1 (One) new fully paid-up equity share of ₹1/- (Rupee one only) each for every 1 (One) fully paid-up Equity Shares of ₹1/- (Rupee one only) each (i.e. Adjusted for Sub-Division of equity Shares as on the Record Date) and that the new Bonus equity Shares so issued and allotted shall, for all purposes, be treated as an increase in the paid- up capital of the Company held by each such member.

**RESOLVED FURTHER THAT** the Board of Directors of the Company to reserve ₹72,30,000/- (Rupees Seventy Two Lacs Thirty Thousand only) for the purpose of issue of bonus issue of equity shares to the warrant holders holding 7,23,000 (Seven Lakh Twenty Three Thousand) Warrants convertible into 72,30,000 Equity Shares of ₹1 each (upon sub-division of the equity shares) after paying the remaining 75% consideration within the time limit prescribed under the provisions of the SEBI (ICDR) Regulations, 2018, by capitalisation of Securities Premium account/retained earnings/ free reserves and / or any other permitted reserves/surplus of the Company.

**RESOLVED FURTHER THAT** the Board of Directors confirm with reference to the issue of bonus shares that:

- a) The existing equity shares of the company are fully paid up.
- b) The Bonus shares have not been issued in lieu dividend or out of reserves created of revaluation of assets.

- c) The Company is authorized by the Article to issue bonus shares, as being proposed in the resolution.
- d) There is no default in repayment of deposit, interest payment thereon to any financial institution or banks.
- e) The Company has not defaulted in payment of statutory dues of employees such as contribution to PF, gratuity and bonus.

**RESOLVED FURTHER THAT** the Bonus Shares so allotted shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank *pari-passu* in all respects with and carry the same rights as the existing Equity Shares on Record Date and shall be entitled to participate in full in any dividends and any other corporate action declared after the allotment of New Equity Shares.

**RESOLVED FURTHER THAT** the bonus Equity Shares of nominal value of ₹1/- (Rupee One only) shall be, (i) issued in physical form and the certificates shall be despatched to the members who hold the shares in physical form as on the record date and (ii) credited to the respective beneficiary account of the members with their respective depository participants and the Company shall undertake such Corporate Action(s) as may be necessary in relation to the existing Equity Shares of the Company in the case of members who hold the Equity Shares / opt to receive the bonus Equity Shares in dematerialized form, as on the record date.

**RESOLVED FURTHER THAT** the issue and allotment of the Bonus Equity Shares to Non-Resident member(s), Foreign Institutional Investor(s) (FIIs) and other Foreign Portfolio Investor(s), (FPIs) be subject to the approval of RBI or any other regulatory authority, as may be applicable.

**RESOLVED FURTHER THAT** that the Board be and is hereby authorized to take necessary steps for listing of such Bonus Equity Shares on the Stock Exchange where the securities of the Company are presently listed as per the provisions of the listing regulations and other applicable regulations, rules and guidelines.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to give such directions, as may in their absolute direction deem necessary, proper or desirable, to apply for requisite approvals, sanctions of the statutory or regulatory authorities, as may be required, to sign, execute necessary applications, papers, documents, undertakings and other declarations for submission with stock exchanges, Registrar of Companies, Registrar & Share Transfer Agents, depositories and/or any other regulatory or statutory authorities, to appoint legal representatives, advocates, attorneys, including to settle any questions, doubts or difficulties that may arise in this respect without requiring to obtain any further approval of Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and or matters connected therewith or incidental thereto expressly by the authority of this resolution.”

**ITEM NO. 4: APPOINTMENT OF MRS. MEENAKSHI GUPTA (DIN: 01158825) AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** Mrs. Meenakshi Gupta (DIN : 01158825), who was appointed as an Additional Director of the Company by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee with effect from October 3, 2023 pursuant to the provisions of Section 161 of the Companies Act, 2013 (“Act”) and the Articles of Association of the Company and who holds office up to the date of Annual General Meeting to be held in year 2024, and being eligible, offers herself for appointment and in respect of whom the Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, signifying his intention to propose the candidature of Mrs. Meenakshi Gupta for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation, with immediate effect.

**RESOLVED FURTHER THAT** any Director or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution.”

**By order of the Board of Directors  
For SG Mart Limited**

**Sd/-  
Sachin Kumar  
Company Secretary**

**Place: Delhi  
Date: January 8, 2024**

## NOTES FOR MEMBER'S ATTENTION:

- (1) A Statement of material facts pursuant to the provisions of Section 102 (1) of the Act, 2013 setting out the material facts relating to the businesses to be transacted is annexed hereto.
- (2) Notice is being sent to the members whose names appear in the register of members / list of beneficial owners on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, January 5, 2024 (cut-off date).
- (3) The Notice is being sent to the members in electronic form to the e-mail addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agent (in case of physical shareholding). Members may note that the Postal Ballot Notice will also be available on the Company's website at [www.sgmart.co.in](http://www.sgmart.co.in), Stock Exchange' website ([www.bseindia.com](http://www.bseindia.com)) and National Securities Depository Services Limited ('NSDL')'s website <https://www.evoting.nsdl.com>. Any member seeking e-copy of this notice may write to us at [compliance@sgmart.co.in](mailto:compliance@sgmart.co.in).
- (4) MCA vide its relevant circulars, has permitted companies to conduct the Postal Ballot by sending the Notice in electronic form only. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would take place through the process of remote e-voting only.
- (5) Member(s) whose names appear in the Register of Members / List of Beneficial Owners as on the cut-off date will be considered for e-Voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- (6) Resolution passed by the members through voting by electronic means shall be deemed to have been passed as if it has been passed at a general meeting of the members convened in that behalf.
- (7) Pursuant to the provisions of Section 110 of the Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 44 of the Listing Regulations, 2015, the Company has provided facility to members to exercise their votes through electronic means and have engaged the services of NSDL as the Authorised Agency to provide e-Voting facility. Instructions for the process to be followed for voting through "electronic means" are annexed to the Notice.
- (8) The members holding shares in physical form can opt for only one mode of voting, i.e., e-Voting.
- (9) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date, being the date fixed for determining the voting rights of members entitled to participate in the e-Voting process through e-Voting platform provided by NSDL by typing the URL: <https://www.evoting.nsdl.com>.
- (10) A member cannot exercise his / her vote by proxy on Postal Ballot.
- (11) The Board of Directors has appointed Shri Jatin Gupta, having Membership Number FCS 5651, COP No. 5236, Practising Company Secretary, Delhi, as Scrutinizer to conduct the Postal Ballot voting process through electronic means, in a fair and transparent manner.
- (12) The Scrutinizer will submit his report to the Chairman or any one of the directors/KMPs as authorized by Chairman after the completion of scrutiny, and the results of voting through electronic means will be declared by placing it along with the Scrutinizer's report on the Company's website [www.sgmart.co.in](http://www.sgmart.co.in) and communicated to BSE Limited.
- (13) The resolutions, if approved by the requisite majority shall be deemed to have been passed on the last date of voting, i.e., Friday, February 9, 2024.



- (14) In case of any query, members may refer to the Frequently Asked Questions (FAQs) for members and e-Voting user manual for members available at Downloads Section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following telephone no. 022-24994600
- (15) Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agent / Depository Participant(s) for sending future communication(s) in electronic form. Members who have registered their e-mail addresses are requested to ensure that the same is operational and if not, provide the correct e-mail address.

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

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


#### Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting of NSDL for casting your vote during the remote e-Voting period.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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.</p>

	<p>After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>       <b>Google Play</b></p> <p>      </p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>

Individual Shareholders (holding securities in demat mode) login through their depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-Services 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	16 Digit Beneficiary ID For example if your Beneficiary ID is 12*****

with CDSL.	then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below **in process for those shareholders whose email IDs are not registered**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details / Password**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number / folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jatinfcs@gmail.com](mailto:jatinfcs@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre Manager at [evoting@nsdl.com](mailto:evoting@nsdl.com).

#### **Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of e mail IDs for e-Voting for the resolution 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), AADHAAR (self attested scanned copy of Aadhaar Card) by email to [mcsltbaroda@gmail.com](mailto:mcsltbaroda@gmail.com) or [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.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), AADHAAR (self attested scanned copy of Aadhaar Card) to [mcsltbaroda@gmail.com](mailto:mcsltbaroda@gmail.com) or [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder / members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user ID and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**EXPLANATORY STATEMENT**  
**(Pursuant to Section 102 of the Companies Act, 2013)**

As required under Section 102 of the Companies Act, 2013 (including any re-enactment(s) made thereunder, if any, for the time being in force) (hereinafter referred to as the “**Companies Act**”), the following explanatory statements sets out all material facts relating to the business mentioned under Items no. 1, 2, 3 and 4 of the accompanying Notice:

**ITEM NO. 1 AND 2**

In order to improve the liquidity of Company’s Shares and to make it more affordable for small investors and also to broad base the share capital holding, the Board of directors of the Company in its meeting held on January 8, 2024 recommended to sub-divide (split) Company’s 1(One) Equity share of face value of ₹10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of Face Value of ₹1/- (Rupee One Only) each subject to the approval of members.

The Record Date for the aforesaid sub-division shall be fixed by the Board (including any Committee thereof) after the approval of the Members is obtained.

Upon approval of shareholders for the sub-division of equity shares, in case the equity shares are held in physical form, the old share certificates of face value of ₹10/- each will stand cancelled on the record date and the new share certificate(s) of nominal value of ₹1/- each, fully paid up, will be dispatched to the shareholders and in case the equity shares are in dematerialised form, the sub-divided equity shares will be directly credited to the shareholder’s demat account on record date, in lieu of their existing equity shares.

The sub-division of par value of shares, *inter alia*, requires appropriate adjustments with respect to all options outstanding on a Record Date to be determined by the Board of Directors of the Company after the approval of resolutions set out at item nos. 1 and 2 of this notice. Further, both granted and ungranted options under the currently active “Kintech Renewables Limited Employee Stock Option Scheme-2023” shall also be proportionately adjusted.

The pre-sub division and post-sub division equity share capital structure of the Company shall be as follows:

<b>Particulars</b>	<b>Authorised Share Capital</b>	<b>Paidup Share Capital</b>	<b>Subscribed Share Capital</b>
<b>Pre share capital (Equity share capital of ₹10 each)</b>	₹15,00,00,000 divided into 1,50,00,000 Equity shares	₹5,57,70,000 divided into 55,77,000 Equity shares	₹5,57,70,000 divided into 55,77,000 Equity shares
<b>Post share capital</b>	₹15,00,00,000 divided into	₹5,57,70,000 divided	₹5,57,70,000 divided

<b>(Equity share capital of ₹1 each)</b>	15,00,00,000 Equity shares	into 5,57,70,000 Equity shares	into 5,57,70,000 Equity shares
<b>Post share capital (Equity share capital of ₹1 each)</b> <i>(on fully diluted basis including Bonus issue)</i>	₹15,00,00,000 divided into 15,00,00,000 Equity shares	₹12,60,00,000 divided into 12,60,00,000 Equity shares	₹12,60,00,000 divided into 12,60,00,000 Equity shares

Further it is to be stated that the company has 7,23,000 (Seven Lakh Twenty Three Thousand) outstanding Warrants convertible into Equity Shares. Consequent to sub-division/split in face value of Equity Shares from ₹10/- each to ₹1/-, conversion ratio for outstanding warrant stand changed to 1 (one) Warrant being convertible, at the option of the warrant-holder by paying the remaining 75% consideration within the time limit prescribed under the provisions of the SEBI (ICDR) Regulations, 2018, into 10 (Ten) Equity Shares of ₹1/- (Rupee One Only).

The aforesaid Sub-division of equity shares of face value requires corresponding amendment to the existing Clause V ‘Capital Clause’ of the Memorandum of Association of the Company. Accordingly, Clause V of the Memorandum of Association is proposed to be amended as set out in Item No. 2 in the accompanying notice.

The provisions relating to sub-division of face value of equity shares are contained in Section 61(1)(d) of the Companies Act, 2013 subject to there being enabling provisions in the Articles of Association of the Company, by means of an Ordinary Resolution. The enabling provision is contained in Article No. 4 of the Articles of Association of the Company. The proposed Ordinary Resolution is being placed before the members for the said purpose.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 1 and 2 of this Notice except to the extent of their respective shareholding entitlements in the Company, if any.

The Board of Directors recommends the resolutions as set out in Item No. 1 and 2 of this notice to be passed as Ordinary Resolutions.

### **ITEM NO. 3**

Considering the strong reserves and financial position of the Company, the Board at its meeting held on January 8, 2024 considered, approved and recommended issue of fully paid-up Equity Shares as Bonus shares in the ratio 1:1 (i.e. adjusted for Sub-Division of Equity Shares) by capitalization of a sum not exceeding 5,57,70,000 (Rupees Five Crore Fifty Seven Lakhs Seventy Thousand only) from and out of the Securities Premium account/retained earnings/ free reserves and / or any other permitted reserves/surplus of the Company, as may be considered appropriate for the purpose of issue of Bonus Equity Shares of 5,57,70,000 as fully paid to the eligible members of the Company whose name(s) appear in the Register of Members on ‘Record Date’ to be determined by the to be determined by the Board. The

bonus shares upon their issue and allotment will rank *pari-passu* in all respects with the existing shares including dividend, if any declared.

Further it is to be stated that the company has 7,23,000 (Seven Lakh Twenty Three Thousand) outstanding Warrants convertible into Equity Shares. The said warrant holders shall also be eligible for the bonus issue of equity shares subject to the post conversion of the warrant into Equity Shares. The Company has also kept a reserve of ₹72,30,000/- (Rupees Seventy Two Lakhs Thirty Thousand only) for the purpose of bonus issue of equity shares to the warrant holders post conversion into equity shares by capitalisation of Securities Premium account, General Reserve, Capital Redemption Reserve and / or any other permitted reserves/surplus of the Company.

The proposed issue of Bonus Shares will be made in accordance with the provisions of Section 63 of the Companies Act 2013, Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, subject to approvals, if any, from the other appropriate authorities. As per the relevant clause in the Articles of Association of the Company, the Company can issue Bonus Shares by capitalization of reserves after obtaining approval of the members by means of an Ordinary Resolution.

Further the Company is in compliance with the following conditions which are required to be met before considering issue of bonus equity shares:

- (i) It has not defaulted in payment of interest or principal in respect of fixed deposits or debt securities issued by it;
- (ii) it has not defaulted in respect of the payment of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus;
- (iii) the shares are fully paid-up;
- (iv) any of the Company's promoters or directors is not a fugitive economic offender.

The Record Date for the aforesaid issue of bonus shares shall be fixed by the Board (including any Committee thereof) after the approval of the Members is obtained. Pursuant to proviso to Regulation 295 of SEBI ICDR (Issue of Capital and Disclosure Requirements) Regulations, 2018 the bonus issue shall be implemented within two months from the date of the meeting of Board of Directors i.e. on or before March 7, 2024

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 3 of this Notice except to the extent of their respective shareholding entitlements in the Company, if any.

The Board of Directors recommends the resolutions as set out in Item No. 3 of this notice to be passed as Ordinary Resolution.

#### **ITEM NO. 4**

The Board of Directors ("Board") upon recommendation of the Nomination and Remuneration Committee, appointed Mrs. Meenakshi Gupta (DIN- 01158825) as an Additional (Non-Executive)



Director of the Company, liable to retire by rotation, effective from 3<sup>rd</sup> October, 2023. Pursuant to Section 161 of the Companies Act, 2013, Mrs. Meenakshi Gupta holds office as Director upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as a Director. Notice under Section 160 (1) of the Act has been received from a Member, signifying his intention to propose Mrs. Meenakshi Gupta for the office of Director at the forthcoming Annual General Meeting.

Mrs. Meenakshi Gupta is not debarred from holding office of a Director by virtue of any order of SEBI or any other such authority.

The Company has received from Mrs. Meenakshi Gupta, the requisite declarations and confirmations prescribed under Companies Act and the applicable SEBI Regulations a for the purpose of appointment as a director. The profile and specific areas of expertise of Mrs. Meenakshi Gupta is as follows:

Meenakshi Gupta has more than 15 years of entrepreneurial experience and has gained varied exposure in the fields of management, administration, finance, operation etc.

None of the Directors, Key Managerial Personnel and their relatives thereof other than Mrs. Meenakshi Gupta herself and her relatives, is concerned or interested in the resolution for her appointment.

The Board of Directors recommends the resolutions as set out in Item No. 4 of this notice to be passed as Ordinary Resolution.

***By order of the Board of Directors***  
**For SG Mart Limited**

**Place: Delhi**  
**Date: January 8, 2024**

**Sd/-**  
**Sachin Kumar**  
**Company Secretary**

#### **DETAILS OF DIRECTORS WHO ARE PROPOSED TO BE APPOINTED / RE-APPOINTED**

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and clause 1.2.5 of the Secretarial Standard -2]

<b>Name of Director</b>	Mrs. Meenakshi Gupta
<b>Date of Birth</b>	09.11.1979
<b>Director Identification Number (DIN)</b>	01158825
<b>Nationality</b>	Indian
<b>Date of first appointment on the Board</b>	03.10.2023
<b>Nature of expertise in specific functional areas</b>	Management, administration, finance,

	operations etc.
<b>Qualification</b>	B.Com. (Hons.) and Executive Courses in the field of Management.
<b>Shareholding in the Company directly or as beneficial owner for any other person</b>	7,50,001 equity shares of ₹10 each
<b>Terms and conditions of appointment/ re-appointment</b>	Appointment as a Non- Executive Director liable to retire by rotation
<b>Details of remuneration sought to be paid and remuneration last drawn</b>	As a Non-Executive Director, she is entitled to sitting fees for attending meetings of the Board/ Committee.
<b>Directorships held in other companies</b>	Nil
<b>*Membership / Chairmanship of Committee(s) of other Companies:</b>	N.A.
<b>Relationship with other Directors, Manager and Key Managerial Personnel of the Company</b>	N.A.
<b>No. of meetings of the Board of Directors attended during the F.Y. 2023-24</b>	2
<b>Listed entities from which the person has resigned in the past three years</b>	None

\*Note: Pursuant to Regulation 26 of the Listing Regulations, only two Committees viz. Audit Committee and Stakeholders Relationship Committee have been considered.