

Notice of 15th Annual General Meeting

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NOTICE is hereby given that the 15th (Fifteenth) Annual General Meeting of the Members of **Paras Defence and Space Technologies Limited** will be held on Friday, September 20, 2024 at 12:30 p.m. (IST) through Video Conferencing (“VC”) or Other Audio-Visual means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. ADOPTION OF ANNUAL AUDITED FINANCIAL STATEMENTS

- (a) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon;
- (b) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of Auditors thereon;

2. RE-APPOINTMENT OF DIRECTOR WHO RETIRES BY ROTATION

To re-appoint Mr. Munjal Sharad Shah (DIN: 01080863), who retires by rotation, and being eligible, has offered himself for reappointment.

SPECIAL BUSINESS

3. RATIFICATION OF REMUNERATION OF COST AUDITORS

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 Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Dinesh Jain & Co., Cost Accountants having Firm Registration Number (FRN) 100583, amounting to ₹. 1,00,000/- (Rupees One Lakh Only) per annum plus taxes as applicable and reimbursement of out-of-pocket expenses that may be incurred, to conduct the cost audit for the FY 2024-25, as recommended by the Audit Committee and approved by the Board of Directors as Cost Auditors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and are hereby jointly / severally authorized to sign such forms/returns as may be required to be submitted to the Registrar of Companies or such other authorities as may be required and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution.”

4. APPROVAL FOR AUTHORIZATION TO BOARD OF DIRECTORS OF THE COMPANY TO ADVANCE ANY LOAN, GIVE ANY GUARANTEE OR TO PROVIDE ANY SECURITY TO ALL SUCH PERSON SPECIFIED UNDER SECTION 185 OF THE COMPANIES ACT, 2013 UPTO AN AGGREGATE LIMIT OF ₹ 60,00,00,000/- (RUPEES SIXTY CRORES ONLY)

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

“**RESOLVED THAT** in supersession to all the earlier resolutions passed in this regard and pursuant to Section 185 read with Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with Memorandum and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise required, any duly constituted Committee thereof or any Director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan(s) in one or more tranches including any loan represented by a book debt, and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Loan taken/to be taken/availed/to be availed from financial institutions / banks / insurance companies / other investing agencies or any other person(s) / bodies corporate by any entity which is a Subsidiary/ Associate/Joint Venture of the Company or such other entity/person as specified under Section 185 of the Companies Act, 2013 and more specifically to such other entity/person as the Board in its discretion deems fit and beneficial and in the best interest of the Company (hereinafter commonly known as the Entities); all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested, provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to the Entities shall not at any time exceed the aggregate limit of ₹ 60,00,00,000/- (Rupees Sixty Crores Only) at any point in time, in its discretion deem beneficial and in the best interest of the Company without being required to seek further consent or approval of the Members or otherwise.

RESOLVED FURTHER THAT the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities.

RESOLVED FURTHER THAT the powers be and is hereby delegated to the Board/ any duly constituted Committee thereof of the Company and is hereby authorized to approve, decide, negotiate, agree the terms and conditions for the aforesaid loan / guarantee / security and to do all such acts,

deeds, matters and things as they may, in their discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and are hereby jointly / severally authorized to sign such forms/returns as may be required to be submitted to the Registrar of Companies or such other authorities as may be required and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution.”

5. APPROVAL FOR EXTENSION OF LIMITS TO GIVE LOAN(S)/ PROVIDE GUARANTEE(S) OR SECURITY(IES)/ MAKE INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013

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

“**RESOLVED THAT** in supersession to all the earlier resolutions passed in this regard and pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable Rules, if any (including any statutory modification(s) or re-enactment thereof for the time being in force) and, in accordance with the Memorandum and Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise required, any duly constituted Committee thereof or any Director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate whether Indian or overseas, from time to time, in one or more tranches as the Board in their absolute discretion deem beneficial and in the interest of the Company, however, that the aggregate amount of the loans given/ guarantees or securities provided / investments so far made, along with the loans/ guarantees / securities/ investments proposed to be made by the Company from time to time, shall not exceed upto an amount of ₹ 5,00,00,00,000/- (Rupees Five Hundred Crores Only) outstanding at any point of time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans/ guarantees/ securities/ investments including the timing, amount and other terms and conditions of such loans/ guarantees/ securities/ investments and varying the same either in part or in full as it may deem appropriate and to execute such documents, deeds, writings, papers and/ or agreements as may be required to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that

may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and are hereby jointly / severally authorized to sign such forms/returns as may be required to be submitted to the Registrar of Companies or such other authorities as may be required and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution.”

6. APPROVAL OF MATERIAL RELATED PARTY TRANSACTION(S) WITH CONTROP-PARAS TECHNOLOGIES PRIVATE LIMITED (“ASSOCIATE 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 Regulation 23 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) and the applicable provisions of the Companies Act, 2013 (“the Act”), if any, read with relevant Rules made thereunder, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force) and, in accordance with the Memorandum and Articles of Association of the Company and as per the Company’s Policy on Materiality of Related Party Transactions and, on the basis of approval and recommendation of the Audit Committee and Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise required, any duly constituted Committee thereof or any Director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution), consent of the Members of the Company be and is hereby accorded to the Board to enter into and/or execute any contract(s)/ arrangement(s)/transaction(s), whether by way of individual or multiple transaction(s) taken together, between the Company and Controp-Paras Technologies Private Limited (hereinafter referred to as “the Associate Company” under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations) for a period from date of this Annual General Meeting till the date of next Annual General Meeting, for an aggregate amount upto ₹ 2,93,00,00,000 (Rupees Two Hundred and Ninety Three Crores Only), in the ordinary course of business of the Company and at arm’s length basis on such terms and conditions as detailed in the explanatory statement to this resolution pursuant to Section 102 and other applicable provisions of the Act read with relevant Rules and on such terms and conditions as may be mutually agreed between the Company and the Associate Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other document(s), file application(s) and make representation(s) in respect thereof

and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or any other Officer(s) as Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and are hereby jointly / severally authorized to sign such forms/returns as may be required to be submitted to the Registrar of Companies or such other authorities as may be required and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution.”

7. REMUNERATION OF MR. AMIT NAVIN MAHAJAN, A RELATED PARTY, HOLDING AN OFFICE OR PLACE OF PROFIT IN 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 Section 188(1) (f) of the Companies Act, 2013 (“the Act”) read with explanation and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act made thereunder, if any, and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and applicable clauses of Articles of Association of the Company, and subject to compliances of all applicable laws and regulations, and as per the recommendation of the Nomination and Remuneration Committee and Audit Committee, and approval of Board of Directors in their meetings held on August 27, 2024, approval of the members be and is hereby accorded to increase the limit of remuneration payable to Mr. Amit Navin Mahajan, Director - Technical and Research & Development of the Company, a ‘Related Party’ as defined under Section 2(76) of the Act and SEBI Listing Regulations and an officer holding office or place of profit in the Company, in the pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month (including, but not limited to all basic, additional, fixed and variable remunerations, bonus, commissions, incentives, allowances, benefits, perquisites, amenities and conveniences etc. as per the policy of the Company) with effect from September 20, 2024.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee/ Audit Committee/ Board of Directors of the Company has the liberty to alter and vary such remuneration in accordance with the provisions of the Act, to effect change in designation and responsibilities of Mr. Amit Navin Mahajan, within the maximum limit approved by the Members.

RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and are hereby jointly / severally authorized to sign such forms/returns as may be required to be submitted to the Registrar of Companies or such other authorities as may be required and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution.”

8. REMUNERATION OF MR. ANISH HEMANT MEHTA, A RELATED PARTY, HOLDING AN OFFICE OR PLACE OF PROFIT IN 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 Section 188(1) (f) of the Companies Act, 2013 (“the Act”) read with explanation and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act made thereunder, if any, and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and applicable clauses of Articles of Association of the Company, and subject to compliances of all applicable laws and regulations, and as per the recommendation of the Nomination and Remuneration Committee and Audit Committee, and approval of Board of Directors in their meetings held on August 27, 2024, approval of the members be and is hereby accorded to increase the limit of remuneration payable to Mr. Anish Hemant Mehta, Director – Business Development of the Company, a ‘Related Party’ as defined under SEBI Listing Regulations and an officer holding office or place of profit in the Company, in the pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month (including, but not limited to all basic, additional, fixed and variable remunerations, bonus, commissions, incentives, allowances, benefits, perquisites, amenities and conveniences etc. as per the policy of the Company) with effect from September 20, 2024.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee/ Audit Committee/ Board of Directors of the Company has the liberty to alter and vary such remuneration in accordance with the provisions of the Act, to effect change in designation and responsibilities of Mr. Anish Hemant Mehta, within the maximum limit approved by the Members.

RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and are hereby jointly / severally authorized to sign such forms/returns as may be required to be submitted to the Registrar of Companies or such other authorities as may be required and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution.”

9. REMUNERATION OF MR. HARSH DHIRENDRA BHANSALI, CHIEF FINANCIAL OFFICER AND A RELATED PARTY, HOLDING AN OFFICE OR PLACE OF PROFIT IN 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 Section 188(1)(f) of the Companies Act, 2013 (“the Act”) read with explanation and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act made thereunder, if any, and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and applicable clauses of Articles of Association of the Company and subject to compliances of all applicable laws and regulations, and as per the recommendation of the Nomination and Remuneration Committee and Audit Committee and approval of Board of Directors in their meetings held on August 27, 2024, approval of the members be and is hereby accorded to increase the limit of remuneration payable to Mr. Harsh Dhirendra Bhansali, Chief Financial Officer of the Company, a ‘Related Party’ as defined under Section 2(76) of the Act and SEBI Listing Regulations and an officer holding office or place of profit in the Company, in the pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month (including, but not limited to all basic, additional, fixed and variable remunerations, bonus, commissions, incentives, allowances, benefits, perquisites, amenities and conveniences etc. as per the policy of the Company) with effect from September 20, 2024.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee/ Audit Committee/ Board of Directors of the Company has the liberty to alter and vary such remuneration in accordance with the provisions of the Act, to effect change in designation and responsibilities of Mr. Harsh Dhirendra Bhansali, within the maximum limit approved by the Members.

RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and are hereby jointly / severally authorized to sign such forms/returns as may be required to be submitted to the Registrar of Companies or such other authorities as may be required and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution.”

10. TO RAISE CAPITAL BY WAY OF A QUALIFIED INSTITUTION PLACEMENT (“QIP”) TO ELIGIBLE INVESTORS THROUGH ISSUANCE OF EQUITY SHARES AND/OR OTHER ELIGIBLE SECURITIES

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

“RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c), 71 and other applicable provisions, if any, of the Companies Act, 2013, and the applicable rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital

and Debentures) Rules, 2014, (including any amendment(s), statutory modification(s) or re-enactment thereof, for the time being in force) (“the Act”), and the enabling provisions of the Memorandum of Association and the Articles of Association of the Company and in accordance with the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), to the extent applicable, the uniform listing agreement(s) entered into by the Company with the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE” and together with BSE, the “Stock Exchanges”) where the equity shares, having face value of ₹ 10/- (Rupee Ten Only), of the Company (“Equity Shares”) are listed, the provisions of the Foreign Exchange Management Act, 1999 including any amendments, statutory modification(s) and/or re-enactment thereof (“FEMA”) and rules and regulations made thereunder, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, the current Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce, Government of India, each as amended, and any other provisions of applicable laws (including all other applicable statutes, clarifications, rules, regulations, circulars, notifications, and guidelines issued by the Government of India (“GoI”), Ministry of Corporate Affairs (“MCA”), Reserve Bank of India (“RBI”), the Securities and Exchange Board of India (“SEBI”), the Stock Exchanges and any other competent authority) (hereinafter singly or collectively referred to as “Appropriate Authorities”) and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the lenders of the Company, SEBI, the Stock Exchanges, RBI, GoI and any other concerned statutory/regulatory authorities and subject to such terms and conditions or modifications as may be prescribed or imposed by the Appropriate Authorities while granting of such approvals, permissions, consents and/ or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof, constituted by the Board to exercise the powers conferred by this resolution), the approval of the Members be and is hereby accorded to create, offer, issue and allot such number of eligible securities including equity shares of face value of ₹ 10/- (Rupees Ten Only), non-convertible debt instruments along with warrants and convertible securities other than warrants, (hereinafter referred to as “Eligible Securities” within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations) for cash, in one or more tranches by way of a Qualified Institutions Placement (“QIP”), through issue of preliminary placement document, placement document/ or other requisite offer document to Qualified Institutional Buyers (“QIBs”) in accordance with Chapter VI of the SEBI ICDR Regulations, whether they be holders of the Securities of the Company or not (the “Investors”) as may be permitted under applicable laws and regulations, of an aggregate amount not exceeding ₹ 2,00,00,00,000 /-(Rupees Two Hundred Crores Only) or equivalent amount thereof,

(inclusive of such discount or premium to market price or prices permitted under applicable law), on such other terms and conditions as may be mentioned in the offer document and/or placement document and/or private placement offer letter (along with the application form) and/ or such other documents/ writings/ circulars/ memoranda to be issued by the Company in respect of the proposed issue, as permitted under applicable laws and regulations, in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion may deem fit and appropriate and without requiring any further approval or consent from the Members, considering the prevailing market conditions and/ or other relevant factors, and wherever necessary, in consultation with the book running lead managers and/ or other advisors appointed by the Company and the terms of the issuance as may be permitted by SEBI, the Stock Exchanges, RBI, MCA, GOI, ROC, or any other concerned governmental/statutory/ regulatory authority in India or abroad, together with any amendments and modifications thereto (the “**Issue**”).

RESOLVED FURTHER THAT the issue and allotment of Eligible Securities is by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations:

- a) The allotment of Eligible Securities shall be made to Qualified Institutional Buyers as defined in the SEBI ICDR Regulations (“**QIB’s**”);
- b) The Eligible Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and other applicable laws;
- c) The number and/ or price of the Eligible Securities or the underlying Equity Shares to be issued on conversion of Eligible Securities shall be appropriately adjusted for corporate actions such as bonus issues, rights issues, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalization of profits or reserves or any such capital or corporate reorganisation or restructuring;
- d) The Eligible Securities under the QIP shall be issued and allotted in dematerialised form;
- e) In the event the Equity Shares are issued, the “relevant date” for the purpose of pricing of the Equity Shares, shall be the date of the Meeting in which the Board or the Committee authorized by the Board decides to open the QIP issue of such Equity Shares, subsequent to receipt of members’ approval in terms of the provisions of the Companies Act, 2013 and other applicable Laws, Rules, Regulations and Guidelines in relation thereto;
- f) The Equity Shares issued and allotted under the Issue or allotted upon conversion of the equity-linked instruments issued in QIP shall rank pari passu in all respects including entitlement to dividend, voting rights or otherwise with the existing Equity Shares of the Company;
- g) In the event that Eligible Securities that are issued are eligible convertible securities, the relevant date for the purpose of pricing of the convertible securities, shall be either the date of the meeting at which the Board or a committee authorized by the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for Equity Shares;
- h) The tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment;
- i) Issue of Eligible Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with Regulation 176(1) under Chapter VI of the SEBI ICDR Regulations (“**QIP Floor Price**”) and applicable law. The Board may, however, at its absolute discretion in consultation with the book-running lead managers, issue Eligible Securities at a discount of not more than five percent (5%) or such other discount as may be permitted under applicable regulations to the QIP Floor Price;
- j) No single allottee shall be allotted more than fifty per cent (50%) of the issue size and the minimum number of allottees shall be as per the SEBI ICDR Regulations;
- k) No allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company;
- l) Any subsequent QIP shall not be undertaken until the expiry of two weeks from the date of the prior QIP made pursuant to this special resolution

RESOLVED FURTHER THAT since the Issue size exceeds more than ₹ 1,00,00,00,000/- (Rupees Hundred Crores Only), a SEBI registered external credit rating agency will be appointed by the Board as the Monitoring Agency to monitor the use of proceeds in terms of Regulation 173A of Chapter VI of SEBI ICDR Regulations.

RESOLVED FURTHER THAT in accordance with Regulation 179 of the SEBI ICDR Regulations, a minimum of 10% of the Equity Shares shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs and that no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to promoters of the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Equity Shares may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in

accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Equity Shares and the Board or a committee thereof subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Equity Shares that are not subscribed.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolution, the Equity Shares to be created, offered, issued, and allotted shall be subject to the provisions of the memorandum of associations and articles of association of the Company and any Equity Shares that may be created, offered, issued and allotted under the Issue or allotted upon conversion of the equity-linked instruments issued by the Company shall rank pari-passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the issue and allotment of Equity Shares, if any, made to NRIs, FPIs and/or other eligible foreign investors pursuant to this resolution shall be subject to the approval of the RBI under the Foreign Exchange Management Act, 1999 as may be applicable but within the overall limits as set forth thereunder.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted under the Issue or to be allotted upon conversion of any Equity Shares or as may be necessary in accordance with the terms of the Issue.

RESOLVED FURTHER THAT the Board be and is hereby accorded to open one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do such acts, deeds, matters and take all steps as may be necessary including without limitation, for determining the terms and conditions of the Issue including among other things, the date of opening and closing of the Issue, the class of investors to whom the Equity Shares are to be issued, determination of the number of Eligible Securities, tranches, issue price, finalization and approval of offer document, placement document, preliminary or final, interest rate, listing, premium/discount, permitted under applicable law (now or hereafter) allotment of Equity Shares, listing of securities at Stock Exchanges and to sign and execute all deeds, documents, undertakings, agreements, papers, declarations and writings as may be required in this regard including without limitation, the private placement offer letter (along with the application form), information memorandum, disclosure documents, the placement document or the offer document, placement agreement, escrow agreement and any other documents as may be required, approve and finalise the bid cum application form and confirmation of allocation notes, seek any consents and approvals as may be required, provide such declarations, affidavits, certificates, consents and/ or authorities as required from time to time, finalize utilisation of

the proceeds of the Issue, give instructions or directions and/or settle all questions, difficulties or doubts that may arise at any stage from time to time, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the MCA, the book running lead manager(s), or other authorities or intermediaries involved in or concerned with the Issue and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the Members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to this resolution may exercise to that end and intend that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorized to approve, finalise, execute, ratify, and/or amend/modify agreements and documents, including any power of attorney, agreements, contracts, memoranda, documents, etc. in connection with the appointment of any intermediaries and/or advisors (including for marketing, obtaining in-principle approvals, listing, trading and appointment of book running lead managers, underwriters, guarantors, depositories, custodians, legal counsel, bankers, trustees, stabilizing agents, advisors, registrars and all such agencies as may be involved or concerned with the Issue) and to remunerate them by way of commission, brokerage, fees, costs, charges and other expenses in connection therewith.

RESOLVED FURTHER THAT the net proceeds from the issue of the Eligible Securities would be utilised as per the objects stated in the explanatory statement.

RESOLVED FURTHER THAT the Eligible Securities shall not be eligible to be sold by the allottee(s) for a period of one year from the date of allotment, except on a recognized stock exchange, or as may be allowed under the SEBI ICDR Regulations from time to time. Furthermore, the tenure of convertible or exchangeable Eligible Securities issued shall not exceed sixty months from the date of allotment.

RESOLVED FURTHER THAT the Board shall have the authority and power to accept any modifications to the terms of the Issue, as may be required or imposed by the SEBI/Stock Exchanges or other appropriate authorities at the time of according/granting their approvals to issue, allotment and listing of the Eligible Securities and as may be agreed to by the Board.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed while granting any such approval, consents or permissions by such governmental body, authority or regulatory institution, the aforesaid Eligible Securities may have such features and attributes or any

terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability, as per the applicable laws and prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Eligible Securities or variation of the conversion price or period of conversion of Eligible Securities into Equity Shares during the duration of the Eligible Securities and the Board be and is hereby authorised in its absolute discretion, to dispose of such Eligible Securities that are not subscribed, in accordance with the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorized to take all actions and to do all such acts, deeds, matters and things, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any director(s), KMP(s), committee(s) which may be/have been constituted to exercise its powers including the powers conferred by this Resolution, executive(s), officer(s) or representatives(s) of the Company or to any other person, as may be necessary to give effect to this resolution.”

11. (A) TO APPROVE ‘PARAS DEFENCE AND SPACE TECHNOLOGIES LIMITED - EMPLOYEE STOCK OPTION PLAN 2024’ (“PARAS DEFENCE ESOP 2024”)

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

“**RESOLVED THAT** pursuant to the provisions of Section 62 (1) (b) of the Companies Act, 2013 (“**the Act**”) and the Companies (Share Capital and Debentures) Rules, 2014 (the “**Companies SCD Rules**”) and other applicable provisions, if any, of the Act, including any statutory modification(s) or re-enactment of the Act for the time being in force and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any modifications thereof or supplements thereto (“**the SEBI SBEB and Sweat Equity Regulations**”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the SEBI LODR Regulations**”), the Listing Agreement entered into with the Stock Exchange where the securities of the Company are listed and any other applicable laws for the time being in force and subject to such other consents, permissions, sanctions and approvals which may be agreed by the board of

directors of the Company (hereinafter referred to as “**the Board**”) which term shall be deemed to include the Nomination and Remuneration Committee), consent of the Members be and is hereby accorded to introduce and implement the ‘**Paras Defence and Space Technologies Limited - Employee Stock Option Plan 2024**’ (“**Paras Defence ESOP 2024**”), the salient features of which are detailed in the explanatory statement to this notice and to create, grant, offer, issue and allot at any time in one or more tranches to or for the benefit of eligible Employees and Directors and such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of applicable laws and Regulations prevailing from time to time (hereinafter collectively referred to as “Employee(s)”) selected on the basis of criteria decided by Board under the Paras Defence ESOP 2024, such number of stock options convertible into Equity Shares of the Company (“Options”), in one or more tranches, not exceeding 7,95,000 (Seven Lakhs Ninety Five Thousand) equity shares of face value of ₹ 10/- each (Rupees Ten), at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the provision of the Paras Defence ESOP 2024 and all provisions of applicable laws.

RESOLVED FURTHER THAT the Paras Defence ESOP 2024 may also envisage provisions for making suitable arrangements for providing financial assistance to the eligible Employees to enable them to acquire, purchase or subscribe to the said securities of the Company in accordance with the provisions of the Companies Act and/or SEBI (SBEB and Sweat Equity) Regulations.

RESOLVED FURTHER THAT the new equity shares be issued and allotted directly to the eligible Employees upon exercise of Options from time to time in accordance with the Paras Defence ESOP 2024 and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger, buy-back, scheme of arrangement and sale of division or other re-organisation of capital structure of the Company, as applicable from time to time, if any additional equity shares are issued by the Company for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be issued and allotted on exercise of Options granted under the Paras Defence ESOP 2024 and the exercise price of Options granted under the Paras Defence ESOP 2024 shall automatically stand augmented or reduced, as the case may be, in

the same proportion as the present face value of ₹ 10/- (Rupees Ten) per equity share bears to their revised face value of the equity shares of the Company after such subdivision or consolidation, without affecting any other rights or obligations of the Employees who have been granted Options under the Paras Defence ESOP 2024.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the Companies Act, SEBI (SBEB and Sweat Equity) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme.

RESOLVED FURTHER THAT without prejudice to the generality of the above the Board, which includes the Nomination and Remuneration Committee is authorised to formulate, evolve, decide upon and implement the Paras Defence ESOP 2024, determine the detailed terms and conditions of the aforementioned Paras Defence ESOP 2024 including but not limited to the quantum of the Options to be granted per Employee, the number of Options to be granted in each tranche, the terms or combination of terms subject to which the said Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse and to grant such number of Options, to such Employees of the Company, at price, at such time and on such terms and conditions as set out in the Paras Defence ESOP 2024 and as the Board or the Nomination and Remuneration Committee may in its absolute discretion think fit.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be designated as the Compensation Committee in accordance with Regulation 5(1) of the SEBI (SBEB and Sweat Equity) Regulations as and when applicable to the Company for the purposes of administration of Paras Defence ESOP 2024.

RESOLVED FURTHER THAT the Board is hereby authorised to make any modifications, changes, variations, alterations or revisions in the Paras Defence ESOP 2024 as it may deem fit, from time to time or to suspend, withdraw or revive the Paras Defence ESOP 2024 from time to time, in conformity with applicable laws, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

RESOLVED FURTHER THAT the Board shall take necessary steps for listing of the Equity Shares allotted under the Paras Defence ESOP 2024 on the Stock Exchanges, in accordance with the provisions of the SEBI (SBEB and Sweat Equity) Regulations, the SEBI LODR Regulations and other applicable laws and regulations and the amendments thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby

authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the Paras Defence ESOP 2024 at any stage including at the time of listing of the equity shares issued herein without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to Nomination and Remuneration Committee or such other Committees as constituted from time to time, with power to sub-delegate to any executives/officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard.”

11. (B) TO EXTEND APPROVAL OF ‘PARAS DEFENCE AND SPACE TECHNOLOGIES LIMITED - EMPLOYEE STOCK OPTION PLAN 2024’ TO THE EMPLOYEES OF COMPANY, ITS SUBSIDIARY COMPANY (IES) AND/OR ASSOCIATE COMPANY(IES), GROUP COMPANY(IES) [PRESENT AND FUTURE]

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

“**RESOLVED THAT** pursuant to the provisions of Section 62 (1) (b) of the Companies Act, 2013 (“**the Act**”) and the Companies (Share Capital and Debentures) Rules, 2014 (the “**Companies SCD Rules**”) and other applicable provisions, if any, of the Act, including any statutory modification(s) or re-enactment of the Act for the time being in force and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any modifications thereof or supplements thereto (“**the SEBI SBEB and Sweat Equity Regulations**”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the SEBI LODR Regulations**”), the Listing Agreement entered into with the Stock Exchange where the securities of the Company are listed and any other applicable laws for the time being in force and subject to such other consents, permissions, sanctions and approvals which may be agreed by the board of directors of the Company (hereinafter referred to as “**the Board**”) which term shall be deemed to include the Compensation/Nomination and Remuneration Committee), the consent of the members be and is hereby accorded to extend the benefits of ‘**Paras Defence and Space Technologies Limited - Employee Stock Option Plan 2024**’ (“**Paras Defence ESOP 2024**”) proposed in the resolution number 11(A) above to the

eligible Employees and Directors of the Company and/ or Subsidiary Company(ies), Group Company(ies), Associate Company(ies) (present or future) and to such other persons as may from time to time be allowed, under prevailing laws, rules and regulations, and/ or amendments thereto from time to time, on such terms and conditions as may be decided by the Board and selected on the basis of criteria prescribed by the Board, at such price or prices in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with the Paras Defence ESOP 2024.

RESOLVED FURTHER THAT for the purpose of creating, offering, issuing, allotting and listing of the equity shares, the Board be authorized on behalf of the Company to make any modifications, changes, variations, alterations or revisions in the Paras Defence ESOP 2024 from time to time or to suspend, withdraw or revive Paras Defence ESOP 2024 from time to time, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby

authorized to determine terms and conditions of issue of the equity shares and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

By the order of the Board of Directors
Paras Defence and Space Technologies Limited

Date: August 27, 2024

Place: Navi Mumbai **Jajvalya Raghavan**
Company Secretary and Compliance Officer

Registered Office:

D-112, TTC Industrial Area,
MIDC, Nerul, Navi Mumbai – 400706

Tel. No. +91-22-6919 9999

Fax No. +91-22-6919 9990

E-mail: business@parasdefence.com

Website: www.parasdefence.com

CIN: L29253MH2009PLC193352

NOTES:

- a. The Ministry of Corporate Affairs ('MCA') has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 respectively (collectively referred as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFP-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by Securities and Exchange Board of India (SEBI) (collectively referred as 'SEBI Circulars'). MCA Circulars and SEBI Circulars (collectively referred as 'Circulars') allowed the companies to hold Annual General Meeting (AGM) through Video Conferencing / Other Audio-Visual Means (VC/OAVM), without the physical presence of members at the venue.
- In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 15th AGM of the Company is being held through VC/OAVM on September 20, 2024, at 12:30 p.m. (IST). The proceedings of the AGM will be conducted at the Registered Office of the Company at D-112, TTC Industrial Area, MIDC, Nerul, Navi Mumbai – 400706, which shall be the deemed venue of the AGM.
- b. Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act") and as per the Listing Regulations, concerning resolutions vide item No. 3 to 11 in the Notice of this 15th Annual General Meeting is annexed hereto and forms integral part of this Notice.
- c. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the Circulars through VC / OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
- d. Participation of Members through VC / OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
- e. The information required to be provided as per Section 102 of the Act, Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India and Listing Regulations are furnished in the explanatory statement which is annexed hereto.
- f. All the relevant documents referred to in this AGM Notice and Explanatory Statement, Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to cs@parasdefence.com from their registered e-mail address mentioning their name, DP ID and Client ID.
- g. The register of members and share transfer books of the Company will remain closed from Saturday, September 14, 2024 to Friday, September 20, 2024 (both days inclusive) for the purpose of determining eligibility of the members for the purpose of e-voting and AGM.
- h. In line with the Ministry of Corporate Affairs (MCA) Circular No.14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 read with Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 Circular No. 17/2020 dated April 13, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company's Registrar and Share Transfer Agent/Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.parasdefence.com, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Link Intime India Private Limited www.linkintime.co.in.
- i. In case any Member is desirous of obtaining physical copy of the Annual Report for the FY 2023-24 and Notice of the AGM of the Company, he/she may send a request to the Company by writing at cs@parasdefence.com mentioning their DP ID and Client ID/Folio No.
- j. Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC / OAVM and vote on their behalf. Institutional / Corporate members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization along with an ID proof of the representative, authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to dinesh.deora@gmail.com with a copy marked to instameet@linkintime.co.in.
- k. INFORMATION AND OTHER INSTRUCTIONS FOR MEMBERS RELATING TO E-VOTING & AGM:**
- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company is providing

facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has availed services of Link Intime India Private Limited for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as voting on the date of the AGM will be provided by Link Intime India Private Limited.

- ii. Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first-come-first-served basis and the said facility shall open 30 minutes before the time scheduled for the AGM. This will not include large members (members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iii. Members will be able to attend the AGM through VC/ OAVM at <https://instavote.linkintime.co.in> by using their remote e-voting login credentials and selecting the link available against the EVEN (240495) for Company's AGM. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.
- iv. The remote e-voting period commences on Tuesday, September 17, 2024 at 9:00 a.m. (IST) and ends on Thursday, September 19, 2024 at 5:00 p.m. (IST). During this period members of the Company, holding shares as on the cut-off date of Friday, September 13, 2024, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The Company has appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary (Membership No. FCS 5683, C.P. No. 4119), or failing him any other eligible representative of M/s. DM & Associates Company Secretaries LLP as Scrutinizer to scrutinize remote e-voting or e-voting at the AGM in a fair and transparent manner and he has communicated his willingness to be appointed.
- vi. The Scrutinizer shall, after scrutinizing the votes cast through remote e-voting and through electronic means at AGM, first count the votes cast vide e-voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall be submitting a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty-eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- vii. Subject to receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the meeting, i.e. Friday, September 20, 2024.

- viii. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www. parasdefence.com](http://www.parasdefence.com) and on the website of Link Intime India Private Limited i.e. www.linkintime.co.in. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.
- ix. Members holding shares of the Company as on Friday, September 13, 2024, shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- x. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.
- xi. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- xii. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at e-mail address: cs@parasdefence.com at least seven days prior to the date of Annual General Meeting. The same shall be replied suitably by the Company.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Tuesday, September 17, 2024 at 9:00 a.m. (IST) and ends on Thursday, September 19, 2024 at 5:00 p.m. (IST). The remote e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 13, 2024, may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 13, 2024.

Remote e-Voting Instructions for members:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDEAS facility

Users who have registered for NSDL IDEAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".

- c) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDEAS facility:

- a) To register, visit URL: <https://eservices.nsd.com> and select “Register Online for IDEAS Portal” or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp> “
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsd.com/>
- b) Click on the “Login” tab available under ‘Shareholder/ Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>

- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHAREHOLDER’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8

Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D'; shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click "confirm" (Your password is now generated).

3. Click on 'Login' under 'SHAREHOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised

Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - b. 'Investor's Name - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
 - d) Click on Submit button and investor will be mapped now.
 - e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

METHOD 2 - VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select 'View' icon for 'Company's Name / Event number'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'Corporate Body/ Custodian/Mutual Fund' tab and further Click 'forgot password?'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.
- ▶ Select the “**Company**” and ‘Event Date’ and register with your following details: -
 - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

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

ITEM NO. 3

RATIFICATION OF REMUNERATION OF COST AUDITORS

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 ('Rules'), as amended from time to time, the Company is required to undertake the audit of its cost records. Such cost audit has to be conducted by a Cost Accountant in Practice.

Based on the recommendation of the Audit Committee, the Board of Directors at their Meeting held on May 25, 2024, has approved the appointment of M/s. Dinesh Jain & Co., Cost Accountants (FRN: 100583) as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the FY 2024-25, at a remuneration of ₹ 1,00,000/- (Rupees One Lakh Only) plus applicable taxes thereon and reimbursement of actual out-of-pocket expenses.

As required under Section 141 of the Act, M/s. Dinesh Jain & Co., Cost Accountants have consented to act as the Cost Auditors of the Company for the FY 2024-25 and confirmed their eligibility to conduct the cost audit of the Company.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board must be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending March 31, 2025.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Resolution set forth in Item No. 3 for the approval of the Members.

ITEM NO. 04

APPROVAL FOR GIVING AUTHORIZATION TO BOARD OF DIRECTORS OF THE COMPANY TO ADVANCE ANY LOAN, GIVE ANY GUARANTEE OR TO PROVIDE ANY SECURITY TO ALL SUCH PERSON SPECIFIED UNDER SECTION 185 OF THE COMPANIES ACT, 2013 UPTO AN AGGREGATE LIMIT OF ₹ 60,00,00,000/- (RUPEES SIXTY CRORES ONLY)

The Members of the Company through postal ballot on May 3, 2024 had accorded their consent under section 185 of the Companies Act, 2013, by way of Special Resolution, to the Board of Directors of the Company, to advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of company, or of

a company which is its holding company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner, upto a sum aggregating ₹ 25,00,00,000/- (Rupees Twenty Five Crores).

However, in order to augment the long-term resources of the company and its subsidiaries, associates and such other permitted entities/ persons and to render support for the business requirements of the entities, it is proposed to increase the limits under section 185 of the Companies Act, 2013 to ₹ 60,00,00,000/- (Rupees Sixty Crores Only).

Members may note that pursuant to the provisions of Section 185 of the Companies Act, 2013 ("the Act") read with the Companies (Meeting of Board and its Powers) Rules, 2014 (as amended from time to time), no Company shall, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of Company, or of a Company which is its holding Company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner.

However, a Company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the Director of the Company is interested, subject to the condition that (a) a special resolution is passed by the Company in general meeting and (b) the loans are utilized by the borrowing Company for its principal business activities.

Accordingly, the Board of Directors at their meeting held on August 27, 2024, has subject to the approval of members of the Company, proposed and approved for seeking the members' approval for increase in limit from ₹ 25,00,00,000/- (Rupees Twenty Five Crores Only) to an aggregate limit of ₹ 60,00,00,000/- (Rupees Sixty Crores Only) for advancing any loan, giving any guarantee or providing any security to all such person specified under Section 185 of the Companies Act, 2013 and more specifically such other entity/person as the Board of the Directors in its discretion deems fit and beneficial and in the best interest of the Company all together with in whom or in which any of the Director of the Company from time to time is interested or deemed to be interested. Further, the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities and that keeping the best interest of the Company.

The above restriction is not applicable to any loan given by the Company to its wholly owned subsidiary Company or any guarantee given, or security provided by the Company to its wholly owned subsidiary Company provided that the loans given are utilized by the Subsidiary Company for its principal business activities.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 4 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the members of the Company as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their Directorship and Shareholding, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members

ITEM NO. 05

APPROVAL FOR EXTENSION OF LIMITS TO GIVE LOAN(S)/ PROVIDE GUARANTEE(S) OR SECURITY(IES)/ MAKE INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Members of the Company in their meeting held on September 30, 2019 had approved the limits under Section 186 of the Companies Act, 2013 (“the Act”) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate upto ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores Only).

However, in order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of funds by giving commensurate loan(s) / providing guarantee(s) or securities(s) in connection with loans/ to make investment(s) to person(s) or bodies corporate(s), from time to time, in excess of the limits specified under Section 186 of the Act.

Members may note that pursuant to Section 186 of the Act read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the “Rules”) as amended from time to time, the Company can give loan or provide any guarantee or security in connection with a loan to any other body corporate or person or acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the prior approval of Members by passing special resolution at the general meeting.

The Board of Directors at their meeting held on August 27, 2024, subject to the approval of members of the Company, had proposed and approved, for seeking the members approval for increase in limit under Section 186 of the Act, from ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores Only) to an aggregate limit of ₹ 5,00,00,00,000/- (Rupees Five Hundred Crores Only) and to give powers to the Board of Directors or any duly constituted Committee thereof to that effect.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 5 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the members of the Company as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their Directorship and Shareholding, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the Members.

ITEM NO. 6

APPROVAL OF MATERIAL RELATED PARTY TRANSACTION(S) WITH CONTROP-PARAS TECHNOLOGIES PRIVATE LIMITED (“THE ASSOCIATE COMPANY”)

The Board of Directors based on recommendation of the Audit Committee at their meeting held on August 27, 2024, have accorded approval to enter into and/or execute contract(s)/ arrangement(s)/ transaction(s), whether by way of individual or multiple transaction(s) taken together, between the Company and Controp-Paras Technologies Private Limited (“Associate Company”) for supply of goods/services/material including technologies and other business transactions for a period from date of this Annual General Meeting till the date of next Annual General Meeting.

The Company is an Indian premier defence engineering Company, offering a wide range of Products & Solutions for Defence & Space Applications. With focus on Defence & Space Sector, it has two verticals, namely Optics & Optronics Systems and Defence Engineering (comprising of Defence Electronics, EMP Protection Solutions & Heavy Engineering). The annual consolidated turnover of the Company as on March 31, 2024 is ₹ 253.50 crores. The Associate Company was incorporated on July 31, 2023, which is engaged in the business of manufacturing of EO/IR Systems for various platforms as designed by Controp Precision Technologies, Israel along with some co-development of products in the future.

In accordance with Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), prior approval of the members is required for (a) related party transactions which in a financial year, exceed the lower of (i) ₹ 1,000 Crores; and (ii) 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company; and (b) any subsequent material modifications thereto as defined by the Audit Committee of the Company.

The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm’s length basis.

The material related party transaction of the Company with the Associate Company as set out in item no. 6 of notice is at arm’s length and in the ordinary course of business. It has been evaluated by an external independent accounting firm and the firm has confirmed that the proposed terms of the contract/agreement meet the arm’s length testing criteria. The related party transaction also qualifies as contract under ordinary course of business and this analysis is presented to the Audit Committee.

Further, the aforesaid material related party transaction is undertaken after obtaining prior approval of the Audit Committee. The Audit Committee of the Company currently comprises of majority of independent directors. All related party transactions have been approved by the Audit Committee after satisfying itself that the related party transactions are at arm’s length and in the ordinary course of business. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals.

The relevant information pertaining to transactions with the Associate Company as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below:

Sr. No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name of Related Party - Controp-Paras Technologies Private Limited ("Controp-Paras") Relationship - Controp-Paras is an Associate Company of the Company. The Company holds 30% of paid-up equity share capital of Controp-Paras.
2.	Name of Director(s) or Key Managerial Personnel who is related, if any	-
3.	Type, Tenure, Material Terms and Particulars	Supply of goods/services/material including technologies and other business transactions for a period from date of this Annual General Meeting till the date of next Annual General Meeting.
4.	Value of the transaction	Upto ₹ 2,93,00,00,000/- (Rupees Two Hundred and Ninety Three Crores plus applicable taxes)
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	116%
7.	Justification as to why the RPT is in the interest of the listed entity	Controp-Paras has received an order from L & T for manufacturing and supply of Electro-Optics System along with Extended Warranty Charges and Integrated Logistics Support ("ILS") Package for their CIWS Program. The Company shall be executing the Indian Content ("IC") out of the aforementioned order. The Company specializes in manufacturing and designing engineering and technology for Defence and Space Sector. The pricing for the aforesaid transaction is in ordinary course of business and on arm's length basis.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the members of the Company as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their Directorship and Shareholding, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Resolution set forth in Item No. 6 for the approval of the Members.

ITEM NO. 07

REMUNERATION OF MR. AMIT NAVIN MAHAJAN, A RELATED PARTY, HOLDING AN OFFICE OR PLACE OF PROFIT IN THE COMPANY

Mr. Amit Navin Mahajan is husband of Mrs. Shilpa Amit Mahajan, Whole-Time Director of the Company, a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). He has been appointed as Director - Technical and Research & Development, an officer holding office or place of profit under provisions of Section 188(1)(f) of the Act read with explanation and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions of the Act thereunder, if any, and Regulation 23 of SEBI Listing Regulations (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and his remuneration was last revised

at the 13th AGM of the Company dated September 27, 2022 in the pay scale of ₹ 2,00,000/- per month to ₹ 4,00,000/- Per month.

Mr. Amit Navin Mahajan holds a bachelor's degree in instrumentation engineering from University of Mumbai. He has over 21 years of work experience in defence electronics and systems. He was appointed as Director - Business of the Company in the year 2018 and was re-designated as Director - Technical and Research & Development with effect from October 1, 2020.

Pursuant to the provisions Section 188(1)(f) of the Act read with explanation and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from to time, where the office or place of profit is held by an individual other than Director and such person receives from the Company anything by way of remuneration, salary, fee, commissions, perquisites, any rent free accommodation or otherwise, it requires the prior approval of the members, if the monthly remuneration exceeds ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only).

Considering the performance, contribution and initiatives taken by Mr. Amit Navin Mahajan and his dedicated involvement in the affairs of the Company, the Board, subject to approval of the members, has approved in their meeting held on August 27, 2024, on the recommendation of Nomination and Remuneration Committee and Audit Committee in their meeting held on even date, an increase in remuneration of Mr. Amit Navin Mahajan, Director - Technical and Research & Development of the Company, in the pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month which is in the ordinary course of business and at arm's length basis.

Brief profile of Related Party and disclosure pursuant to Rule 15(3) of Companies (Meetings of Board and its powers) Rules 2014 are as under:

Sr. No.	Particulars	Details
1.	Name of the Related Party;	Mr. Amit Navin Mahajan
2.	Name of the director or key managerial personnel who is related, if any;	Mrs. Shilpa Amit Mahajan, Whole-Time Director
3.	Nature of relationship;	Mr. Amit Navin Mahajan is husband of Mrs. Shilpa Amit Mahajan.
4.	Nature, material terms, monetary value and particulars of the contract or arrangements;	Increase in prescribed limit of remuneration in the pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month (including, but not limited to all basic, additional, fixed and variable remunerations, bonus, commissions, incentives, allowances, benefits, perquisites, amenities and conveniences etc. as per the policy of the Company) with effect from September 20, 2024.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution.	Not Applicable

The Members are hereby informed that as per Regulation 23 of SEBI Listing Regulations and Section 188 of the Act, no member of the Company shall vote on this resolution if such member is a Related Party.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for Approval for increase in remuneration of Mr. Amit Navin Mahajan, a Related Party, holding an office or place of profit in the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their Directorship and Shareholding, in the resolution set out at Item No. 7 of the Notice.

The Board recommends the Resolution set forth in Item No. 7 for the approval of the Members.

ITEM NO. 08

REMUNERATION OF MR. ANISH HEMANT MEHTA, A RELATED PARTY, HOLDING AN OFFICE OR PLACE OF PROFIT IN THE COMPANY

Mr. Anish Hemant Mehta is a member of Promoter Group, a 'Related Party' as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). He has been appointed as Director – Business Development, an officer holding office or place of profit under provisions of Section 188(1) (f) of the Companies Act, 2013 ("the Act") read with explanation and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act thereunder, if any and Regulation 23 of SEBI Listing Regulations (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and his remuneration was last revised at the 13th AGM of the Company dated September 27, 2022 in the pay scale of ₹ 2,00,000/- per month to ₹ 4,00,000/- per month.

Mr. Anish Hemant Mehta has over 23 years of work experience in business operations and logistics. He joined the Company on October 5, 2009 as General Manager and was re-designated as Director - Business Development with effect from October 1, 2018.

Pursuant to the provisions Section 188(1)(f) of the Act read with explanation and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, where the office or place of profit is held by an individual other than Director and such person receives from the Company anything by way of remuneration,

salary, fee, commissions, perquisites, any rent free accommodation or otherwise, it requires the prior approval of the members if the monthly remuneration exceeds ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only).

Keeping in view the contributions made and his suitability, the Board, subject to approval of the members, has approved in their meeting held on August 27, 2024 on the recommendation of Nomination and Remuneration Committee and Audit Committee in their meeting held on even date, an increase in remuneration of Mr. Anish Hemant Mehta, Director – Business Development of the Company and an officer holding office or place of profit in the Company, in the pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month which is in the ordinary course of business and at arm's length basis. Since Mr. Anish Hemant Mehta does not fall under the definition of relative as per the Act, hence the brief profile of Related Party and disclosure pursuant to Rule 15(3) of Companies (Meetings of Board and its powers) Rules 2014 is not applicable.

The Members are hereby informed that as per Regulation 23 of SEBI Listing Regulations and Section 188 of the Act, no member of the Company shall vote on this resolution if such member is a Related Party.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for Approval for increase in remuneration of Mr. Anish Hemant Mehta, a Related Party, holding an office or place of profit in the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their Directorship and Shareholding, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Resolution set forth in Item No. 8 for the approval of the Members.

ITEM NO. 09

REMUNERATION OF MR. HARSH DHIRENDRA BHANSALI, CHIEF FINANCIAL OFFICER AND A RELATED PARTY, HOLDING AN OFFICE OR PLACE OF PROFIT IN THE COMPANY

Mr. Harsh Dharendra Bhansali is a son-in-law of Mr. Sharad Virji Shah, Chairman and Non-Executive Non-Independent Director of the Company, a 'Related Party' as defined under Section 2(76) of

the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). He has been appointed as Chief Financial Officer holding office or place of profit under provisions of Section 188(1)(f) of the Act read with explanation and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act made thereunder, if any and Regulation 23 of SEBI Listing Regulations (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and his remuneration was last revised at the 13th AGM of the Company dated September 27, 2022 in the pay scale ₹ 2,00,000/- per month to ₹ 4,00,000/- Per month.

Mr. Harsh Dharendra Bhansali has been Managing the Finance, Accounts and related activities since 2018 and is involved in the operations of the Company. He has been associated with the Company since inception and has held various responsibilities before being appointed as Chief Financial Officer. He has over 18 years of work experience in finance and accounts. He has been designated as Chief Financial Officer of the Company on March 24, 2020.

Pursuant to the provisions of Section 188(1)(f) of the Act read with explanation and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, where the office or place of profit is held by an individual other than Director and such person receives from the Company anything by way of remuneration, salary, fee, commissions, perquisites, any rent free accommodation or otherwise, it requires the prior approval of the members if the monthly remuneration exceeds ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only).

Taking into consideration Mr. Harsh Dharendra Bhansali’s contribution towards the growth of the Company and his longer association with the Company, the Board, subject to approval of the members, has approved in their meeting held on August 27, 2024 on the recommendation of Nomination and Remuneration Committee and Audit Committee in their meeting held on even date, an increase in remuneration of Mr. Harsh Dharendra Bhansali, Chief Financial Officer of the Company and an officer holding office or place of profit in the Company, in the pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month which is in the ordinary course of business and at arm’s length basis.

Brief profile of Related Party and disclosure pursuant to Rule 15(3) of Companies (Meetings of Board and its powers) Rules 2014 are as under:

Sr. No.	Particulars	Details
1.	Name of the Related Party;	Mr. Harsh Dharendra Bhansali
2.	Name of the director or key managerial personnel who is related, if any;	Mr. Sharad Virji Shah, Chairman and Non-Executive Non-Independent Director
3.	Nature of relationship;	Mr. Harsh Dharendra Bhansali is son-in-law of Mr. Sharad Virji Shah
4.	Nature, material terms, monetary value and particulars of the contract or arrangements;	Increase in prescribed limit of remuneration in pay scale of ₹ 4,00,000/- per month to ₹ 6,00,000/- per month (including, but not limited to all basic, additional, fixed and variable remunerations, bonus, commissions, incentives, allowances, benefits, perquisites, amenities and conveniences etc. as per the policy of the Company) with effect from September 20, 2024.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution.	Not Applicable

The Members are hereby informed that as per Regulation 23 of SEBI Listing Regulations and Section 188 of the Act, no member of the Company shall vote on this resolution if such member is a Related Party.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for Approval for increase in remuneration of Mr. Harsh Dharendra Bhansali, Chief Financial Officer and a Related Party, holding an office or place of profit in the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their Directorship and Shareholding, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Resolution set forth in Item No. 9 for the approval of the Members.

ITEM NO. 10:

TO RAISE CAPITAL BY WAY OF A QUALIFIED INSTITUTIONS PLACEMENT TO ELIGIBLE INVESTORS THROUGH ISSUANCE OF EQUITY SHARES AND/OR OTHER ELIGIBLE SECURITIES

The Company anticipates further growth opportunities in its existing operations and continues to evaluate various avenues for expansion and achieving growth. Towards this, the Company continues to require capital to achieve such growth and expansion. Accordingly, the Company intends to raise capital by way of a qualified institutions placement (“QIP”) to eligible investors through the further issuance of Eligible Securities in accordance with applicable laws. The proposed issue of capital is subject to, inter alia, the applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE” and together with BSE, “Stock Exchanges”), Reserve Bank of India, Ministry of

Corporate Affairs, Government of India, Registrar of Companies, to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/ statutory authorities, as may be required in this regard, domestically or internationally.

Accordingly, the board of directors of the Company ("Board") at their meeting held on August 27, 2024, had considered the proposal and accorded necessary approvals, subject to the approval of the Members and other concerned authorities as indicated above, raising funds by way of issuance of eligible securities including equity shares of face value of ₹ 10/- (Rupees Ten Only), non-convertible debt instruments along with warrants and convertible securities other than warrants, (hereinafter referred to as "Eligible Securities" within the meaning rendered to such term under Regulation 171(a) of the SEBI ICDR Regulations) or any combination of the Eligible Securities, in accordance with applicable law, in one or more tranches, for an aggregate amount of up to ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores Only). The Resolution contained in the agenda of the notice seeks to empower the Board of Directors to undertake a qualified institutions placement with qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"). The Board of Directors may at its discretion adopt this mechanism as prescribed under Chapter VI of the SEBI ICDR Regulations for raising the funds, without the need for fresh approval from the Members. The Eligible Securities allotted as above would be listed on BSE Limited and National Stock Exchange of India Limited. The offer/issue/ allotment would be subject to regulatory approvals, if any. The conversion of Eligible Securities, if any, held by foreign investors into Equity Shares would be subject to the applicable foreign exchange regulations and sectoral caps, if any.

The proposal seeks to confer upon the Board (including a Committee thereof), the absolute discretion to determine the terms of the aforementioned issuance of Eligible Securities, including the exact price, proportion and timing of such issuance, based on an analysis of the specific requirements and market conditions. The detailed terms and conditions of such issuance will be determined by the Board or a Committee thereof, considering prevailing market conditions, and practices and in accordance with the applicable provisions of law and other relevant factors. Accordingly, the Board (including a committee thereof) may, in its discretion, adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company.

As and when the Board or a Committee thereof takes a decision on matters pertaining to the proposed fundraising, on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the SEBI Listing Regulations. This Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot the Eligible Securities to the Investors, who may or may not be the existing members of the Company.

I. Objects of the Issue

The Company shall utilize the proceeds from the Issue (after adjustment of expenses related to the Issue) at various stages for the usage of one or more, or any combination of the following: capital expenditure for organic growth, expansion

and growth of the existing business of the Company or its subsidiaries, funding working capital requirements, pre-payment and / or repayment of debts of the Company or its subsidiaries, general corporate purposes and such other purpose(s) as may be permissible under applicable laws and approved by the Board of the Company. The details for deployment of funds will be specifically mentioned in the preliminary placement document/ placement document in terms of applicable circulars of BSE and NSE, in this regard as well as the SEBI ICDR Regulations.

The Board or a duly authorised committee shall decide the specific objects towards which the Net Proceeds shall be deployed and will be dependent on multiple factors such as, inter alia, market conditions, timing of the offer and other internal and external factors.

Pending utilization of the proceeds from the Issue, the Company shall invest such proceeds in the highest credit quality short-term money market mutual funds, deposits in scheduled commercial banks or any other investment as permitted

II. Amount of the Offering

The approval of the Members by way of a Special Resolution is sought to be obtained to fulfil the aforesaid objects by raising funds by way of issuance of Eligible Securities, in accordance with applicable law, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of domestic and/or international offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the lead managers and/or other advisor(s) or otherwise, for an aggregate amount not exceeding ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores Only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Eligible Securities) at such price or prices as may be permissible under applicable law by way of a QIP in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendment, modification, variation or re-enactment thereof) ("SEBI ICDR Regulations"), Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, each as amended, the provisions of the Memorandum and Articles of Association of the Company and other applicable laws. ("Issue")

The Board (including any duly authorized committee thereof) may at their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the members of the Company. The proposed issue of capital is subject to, inter alia, the applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India, the BSE and NSE ("Stock Exchanges"), Reserve Bank of India, Ministry of Corporate Affairs, Government of India, Registrar of Companies, Mumbai, Maharashtra, to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/

statutory authorities and guidelines and clarifications issued thereon from time to time.

The issue is made through a qualified institutions placement and will be undertaken in terms of the SEBI ICDR Regulations as follows:

1. the allotment of Eligible Securities shall only be made to qualified institutional buyers (“QIBs”) as defined under SEBI ICDR Regulations;
2. the allotment of the Eligible Securities shall be completed within 365 days from the date of passing of the special resolution in accordance with the SEBI ICDR Regulations and applicable laws;
3. a minimum of 10% of the Eligible Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;
4. the “relevant date” for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or a duly authorised committee decides to open the proposed QIP of equity shares as Eligible Securities; and in case Eligible Securities are eligible convertible securities, then either the date of the meeting in which the Board or a duly authorized committee decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for the equity shares as provided under the SEBI ICDR Regulations;
5. the equity shares of the same class, which are proposed to be allotted through qualified institutions placement or pursuant to conversion or exchange of eligible securities offered through qualified institutions placement, have been listed on a stock exchange for a period of at least one year prior to the date of issuance of notice to its Members for convening the meeting to pass the special resolution;
6. An issuer shall be eligible to make a qualified institutions placement if any of its promoters or directors is not a fugitive economic offender.
7. no single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations. It is clarified that qualified institutional buyers belonging to the same group or who are under same control shall be deemed to be a single allottee;
8. the Eligible Securities to be offered and allotted shall be in dematerialized form and shall be allotted on fully paid up basis;
9. a discount of not more than 5% (five per cent) or such other percentage as may be permitted under applicable law to the floor price may be provided in terms of the SEBI ICDR Regulations;

10. the Eligible Securities allotted shall not be eligible for sale by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time; and
11. The Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to the special resolution passed at this meeting.

III. Pricing

The pricing would be arrived at by the Board, depending on market conditions and in accordance with the SEBI ICDR Regulations, or other applicable laws. In the event of a QIP pricing of the Equity Shares that may be issued to QIBs shall be freely determined subject to such price not being less than floor price calculated in accordance with Chapter VI of the SEBI ICDR Regulations, provided that the Company may offer a discount not exceeding 5% of the floor price or such other permissible limit as may be specified under Chapter VI of the SEBI ICDR Regulations.

IV. Relevant Date

The relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board or any other committee duly authorized by the Board decides to open the QIP of Equity Shares as eligible securities, in accordance with applicable laws, rules, regulations and guidelines in relation to the proposed issue of Equity Shares, and in case Securities are eligible convertible securities, then either the date of the meeting in which the Board or any other committee duly authorized by the Board decides to open the proposed issue or the date on which holders of Securities become eligible to apply for Equity Shares, as may be determined by the Board or duly authorized Committee or such date as may be permitted under SEBI ICDR Regulations, as amended as may be applicable.

V. Change in Control

There would be no change in control pursuant to the said issue of Securities.

VI. Interest of Promoters, Directors and Key Managerial Personnel

The Promoters, members of the Promoter Group, Directors and Key Managerial Personnel of the Company will not subscribe to the QIP. No allotment shall be made, either directly or indirectly, to any Qualified Institutional Buyer who is a promoter of the Company, or any person related to promoters of the Company in terms of the SEBI ICDR Regulations.

VII. Class or Classes of persons to whom the Securities will be offered

The Securities will be offered and issued to such Investors including QIBs who are eligible to acquire such Securities in accordance with the applicable laws, rules regulations and guidelines. The proposed allottees may be resident of India or abroad and whether or not such persons are members

VIII. Monitoring of Utilization of Funds

Given that the issue size exceeds ₹100 Crore (Indian One Hundred Crore Only), in terms of Regulation 173A of the SEBI ICDR Regulations, the Company shall appoint a SEBI-registered credit rating agency as the monitoring agency to monitor the use of the proceeds of the Issue ("Monitoring Agency").

The Monitoring Agency shall submit its report to the Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% (One Hundred Percent) of the Issue Proceeds have been utilized. The Board and the management of the Company shall provide their comments on the findings of the Monitoring Agency in the format specified in Schedule XI of the SEBI ICDR Regulations. The Company shall, within 45 (forty-five) days from the end of each quarter, upload the report of the Monitoring Agency on its website and also submit the same to the Stock Exchanges

IX. The proposed time limit within which the allotment shall be complete:

In terms of SEBI (ICDR) Regulations, the allotment of the Eligible Securities shall be completed within 365 days from the date of this resolution, or such other period as may be prescribed under the ICDR Regulations or other applicable laws from time to time.

X. Lock-in Period/Transferability

In terms of the provisions of regulation 178 of the SEBI ICDR Regulations, the Eligible Securities allotted under the qualified institution placement shall not be sold by the allottee(s) for a period of one year from the date of allotment, except on a recognized stock exchange.

XI. Undertakings

- a) None of the Directors or Promoters of the Company are fugitive economic offenders as defined under the SEBI ICDR Regulations;
- b) the equity shares of the same class, which are proposed to be allotted through qualified institutions placement or pursuant to conversion or exchange of Eligible Securities offered through qualified institutions placement, have been listed on a stock exchange for a period of at least one year prior to the date of issuance of notice to its Members for convening the meeting to pass the special resolution; and
- c) the Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to this special resolution, or such other time as may be prescribed in the SEBI ICDR Regulations or other applicable laws.
- d) the number and/or price of the Eligible Securities or the underlying Equity Shares issued on conversion of Eligible Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity

shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;

- e) no single allottee shall be allotted more than 50% of the proposed QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations; and it is clarified that QIBs belonging to the same group or who are under the same control shall be deemed to be a single allottee;
- f) a minimum of 10% of the Eligible Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs, in accordance with the ICDR Regulations;
- g) the tenure of the convertible or exchangeable eligible securities issued through qualified institutions placement shall not exceed sixty months from the date of allotment;
- h) the schedule of the QIP will be as determined by the Board or its duly authorized committee; and
- i) the detailed terms and conditions for the offer will be determined in consultation with the advisors, lead manager(s) and underwriters and such other authority or authorities as may be required, considering the prevailing market conditions and other regulatory requirements.

The Company is yet to identify the investor(s) and decide the quantum of Securities to be issued to them. Hence, the details of the proposed allottees, percentage of post issue of Securities that may be held by them and other details are not available at this point of time and shall be disclosed by the Company under the applicable regulations in due course (at appropriate time and mode). Accordingly, it is proposed to authorize the Board or duly authorized committee to identify the investor(s), issue such number of Securities, negotiate, finalize and execute such documents and agreements as may be required and do all such acts, deeds and things in this regard for and on behalf of the Company.

As the Issue may result in the issue of Eligible Securities of the Company to investors who may or may not be Members of the Company, consent of the Members is being sought pursuant to Sections 23, 42, 62(1)(c), 71 and other applicable provisions, if any, of the Companies Act, 2013 and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI Listing Regulations and SEBI ICDR Regulations

In terms of Section 102(1) of the Companies Act, 2013, none of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their Directorship and Shareholding, in the resolution set out at Item No. 10 of the Notice.

The Board believes that the proposed QIP issue is in the best interest of the Company and therefore recommends the Special Resolution as set forth in Item No. 10 for the approval of the Members.

ITEM NO. 11

(A) TO APPROVE 'PARAS DEFENCE AND SPACE TECHNOLOGIES LIMITED - EMPLOYEE STOCK OPTION PLAN 2024' ('PARAS DEFENCE ESOP 2024')

(B) TO EXTEND APPROVAL OF 'PARAS DEFENCE AND SPACE TECHNOLOGIES LIMITED - EMPLOYEE STOCK OPTION PLAN 2024' TO THE EMPLOYEES OF COMPANY, ITS SUBSIDIARY COMPANY (IES) AND/ OR ASSOCIATE COMPANY(IES), GROUP COMPANY(IES) [PRESENT AND FUTURE]

Stock Options represent a reward system based on performance. They help companies to attract, retain and motivate the best available talent. Options also provide a company with an opportunity to optimise its personnel costs. This also provides an opportunity to the employees to participate in the growth of the company, besides creating long term wealth in their hands.

Further, as the business environment is becoming increasingly competitive, it is important to attract and retain qualified, talented and competent personnel in the company. Your Company believes in rewarding its Employees including Employees of Company, its Subsidiary Company (ies) and/ or Associate Company(ies), Group Company(ies) [present and future] for their continuous hard work, dedication and support, which has led and will lead the Company on the growth path.

The reasons why the Company is intending to extend its scheme to the Employee(s) of its Company, its Subsidiary Company (ies) and/ or Associate Company(ies), Group Company(ies) [present and future] ("entities") are as below:

- The said entities are critical to the operations of the Company.
- The said entities do not have any other similar schemes of their own. The said entities are unlisted, hence, from a liquidity perspective it is logical to give stock options of the Company to the employees of such entities.

Keeping in line with the above, '**Paras Defence and Space Technologies Limited - Employee Stock Option Plan 2024**' ('**Paras Defence ESOP 2024**') has been formulated by the Company and to be implemented by Board / Nomination & Remuneration Committee in terms of provisions of Companies Act, 2013 and rules made thereunder, Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the requirements of SEBI (SBEB and Sweat Equity) Regulations issued by Securities and Exchange Board of India (SEBI) and other applicable laws. The Scheme has been approved by the Board of Directors at their meeting held on August 27, 2024, subject to the approval of the members.

The Paras Defence ESOP 2024 will be operated and administered under the superintendence of the Company's Board of Directors, Nomination and Remuneration Committee of Board of Directors, the majority of whose members are Independent Directors as per the applicable Act/Regulations. The Board / Nomination and Remuneration Committee will formulate the detailed terms and conditions of the Paras Defence ESOP 2024 including:

- a. the quantum of options, shares or benefits as the case may be, per employee, per grant and in aggregate under a scheme;
- b. the kind of benefits to be granted under this scheme;
- c. the conditions under which options, shares or other benefits as the case may be, may vest in employees and may lapse in case of termination of employment for misconduct;
- d. the schedule for Vesting of the Options granted to Employees;
- e. The price at which the Options are to be granted from time to time (which will be the Exercise Price for the options at a future date);
- f. the exercise period within which the employee can exercise the options and that options would lapse on failure to exercise the same within the exercise period;
- g. the specified time period within which the employee shall exercise the vested options or in the event of termination or resignation;
- h. the right of an employee to exercise all the options, as the case may be, vested in him at one time or at various points of time within the exercise period;
- i. the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Board/ committee:
 - i. the number and price of options shall be adjusted in a manner such that total value to the employee of the options remains the same after the corporate action;
 - ii. the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the employee(s) who is granted such options;
- j. the grant, vesting and exercise of shares, options or in case of employees who are on long leave;
- k. eligibility to avail benefits under this scheme in case of employees who are on long leave;
- l. the procedure for funding the exercise of options;

- m. the procedure for buy-back of specified securities issued under relevant regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
- (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
 - (iii) limits upon quantum of specified securities that the company may buy-back in financial year.

For the purpose of this Clause, specified securities means as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

- n. Amend any terms and conditions of any Options granted under the Scheme to the extent it is not inconsistent with the terms of the Scheme and not prejudicial to the interest of the Option Grantee.
- o. frame suitable policies and procedures to ensure that there is no violation of securities laws including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended from time to time, by the trust, the company and its employees, as may be applicable.
- p. Approve forms, writings and/or agreements for use in pursuance of the Paras Defence ESOP 2024.
- q. Any other related or incidental matters.

Major details of the Paras Defence ESOP 2024 are as given below: -

a) Brief Description of the Paras Defence ESOP 2024 scheme is given as under:

‘Paras Defence and Space Technologies Limited - Employee Stock Option Plan 2024’ (“Paras Defence ESOP 2024”) has been formulated by the Company and to be implemented by its Board of Directors / Nomination & Remuneration Committee in terms of provisions of Companies Act, 2013 and rules made thereunder, Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws. The Paras Defence ESOP 2024 has been approved by the Board of Directors at their meeting held on August 27, 2024, subject to the approval of the members.

b) The total number of options to be offered and granted

The total number of Options that may, in the aggregate, be issued would be such number of Options which shall entitle the Option holders to acquire in one or more tranches upto 7,95,000

(Seven Lakhs Ninety Five Thousand) equity shares of ₹ 10/- (Rupees Ten) each (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organisation of the capital structure of the Company as may be applicable from time to time).

In case of any corporate action(s) such as rights issues, bonus issues, buy-back, scheme of arrangement, merger and sale or division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the above ceiling shares shall be deemed to be increased to the extent of such additional equity shares issued.

An Employee may surrender his/her vested / unvested options at any time during / post his employment with the company. Any employee willing to surrender his/her Options shall communicate the same to the Board of Directors or Committee of the Company in writing.

Vested Options lapsed due to non-exercise, surrender and/or unvested Options that gets cancelled due to resignation or any other separation conditions of Option grantees, surrendered or otherwise, would be available for being re-granted at a future date. The Board/ Committee is authorized to re-grant such lapsed / cancelled / surrendered options as per the provisions of Paras Defence ESOP 2024.

c) Identification of classes of employees entitled to participate and be beneficiaries in the Paras Defence ESOP 2024.

Following class / classes of employees are entitled to participate in Paras Defence ESOP 2024:

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) 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; or
- (iii) an employee as defined in sub-clauses (i) or (ii), of a Group Company including Subsidiary or its Associate Company, in India or outside India, 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 anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity Shares of the Company;

The class of Employees eligible for participating in the Paras Defence ESOP 2024 shall be determined on the basis of the grade, length of service, performance record, merit of the Employee, future potential contribution by the Employee, role assigned to the Employee and such other parameters as may be decided by the Board of Directors/ Nomination and Remuneration Committee of the Company in its sole discretion from time to time.

The Options granted to an Employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

d) Requirements of vesting and period of vesting

Vesting of Options may commence after a period of not less than 1 (one) year from the date of individual grant. The vesting may occur in one or more tranches, subject to the terms and conditions of vesting, as stipulated in the Paras Defence ESOP 2024.

Following table shall be applicable in case of various scenarios (during employment) for vesting and exercising*:

Sr. No.	Separations	Vested Options	Unvested Options
1	Resignation	Subject to the terms and conditions, all Vested Options as on date of submission of resignation may be exercised by the Option Grantee on or before his last working day or before the expiry of the Exercise period, whichever is earlier.	All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.
2	Termination (With cause like fraud, misconduct etc.)	All Vested Options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
3	Termination (Without cause)	All Vested Options which were not exercised at the time of such termination may be exercised by the Option Grantee on or before his last working day or before the expiry of the Exercise period, whichever is earlier.	All Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.
4	Retirement or early Retirement approved by Company	All vested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.	All Unvested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.
5	Death	All Vested Options, granted under a Scheme to him/ her till his/her death shall vest, with effect from the date of his/her death, in the legal heirs or nominees of the deceased Employee, as the case may be and such Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 12 months from the date of Death.	All Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir/s within 12 months from the date of Death.
6	Permanent Disability	All Vested Options, granted to him/her under a Scheme as on the date of permanent incapacitation shall vest in him/her on that day and such Options may be exercised by the Option Grantee or, if the Option Grantee is himself, unable to exercise due to such disability, the nominee or legal heir, immediately after, but in no event later than 12 months from the date of such disability.	All Unvested Options as on the date of such Permanent Disability shall vest immediately and can be exercised by the Option Grantee or, if the Option Grantee is himself unable to exercise due to such incapacity, the nominee or legal heir immediately after, but in no event later than 12 months from the date of such disability.
7	Abandonment**	All the Vested Options shall stand cancelled.	All the Unvested Options shall stand cancelled.
8	Any other reason not specified above	The Committee or any other Board Committee as due authorized shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand cancelled with effect from that date.

*In case of any regulatory changes warranting any change in vesting schedule/ conditions/exercise period in any of the above separation conditions, the provisions of such change shall apply.

**The Board/Committee, at its sole discretion shall decide the date of cancellation of Option's and such decision shall be binding on all concerned. Provided that, in accordance with Applicable Law, notwithstanding anything to the contrary contained herein, the Company shall not vary the terms of the Scheme in any manner which may be detrimental to the interests of the Employees.

e) Maximum period within which the options shall be vested

The maximum vesting period may extend up to 7 (Seven) years from the date of respective grant of Options, unless otherwise decided by the Board/ Nomination and Remuneration Committee.

The Board of Directors / Nomination and Remuneration Committee, shall have, subject to the applicable law (and subject to a minimum vesting period of 1 year) the right, to vest all or part of the Unvested Options in an accelerated manner from out of the options granted and outstanding to the employees.

f) Exercise price or pricing formula

Exercise Price means the price, if any, payable by an employee for exercising the option granted to such an employee in pursuance of Paras Defence ESOP 2024.

The Exercise Price shall be as may be decided by the Board/ Committee as is allowed under the Companies Act / SEBI (SBE and Sweat Equity) Regulations which in any case will not be lower than the face value of the equity shares of the Company on the date of such grant. Further the Exercise Price can be different for different set of Employees for Options granted on same / different dates. The same shall be subject to any fair and reasonable adjustments that may be made on account of corporate actions of the Company in order to comply with the applicable laws.

Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company, or by any other payment methods prevalent in RBI recognized banking channels or in such other manner and subject to such procedures as the Board / Committee may decide.

No amount shall be payable by the Option Grantee at the time of grant. Further, no amount paid/ payable by the Employee at the time of the grant, vesting or exercise of the Options, hence, no amount is required to be forfeited if the Employee does not exercise the same within the exercise period.

g) Exercise period and process of exercise

The exercise period shall not be more than 5 (Five) years from the date of respective vesting of Options. The Options granted may be exercised by the grantee at one time or at various points of time within the exercise period as determined by the Board of Directors/Committee from time to time.

The vested Options shall be exercisable by the Employees by a written application (or by electronic

means through a software) to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Board of Directors/ Nomination and Remuneration Committee from time to time. The Options shall lapse if not exercised within the specified exercise period. The Options may also lapse, under certain circumstances even before the expiry of the specified exercise period.

h) Appraisal Process for determining the eligibility of Employees to the Paras Defence ESOP 2024

The appraisal process for determining the eligibility of the Employee(s) will be specified by the Board of Directors / Nomination and Remuneration Committee and will be based on criteria such as the grade of Employee, length of service, performance record, merit of the Employee, future potential contribution by the Employee and/ or by any such criteria that may be determined by the Board of Directors/ Nomination and Remuneration Committee.

i) Maximum number of Options to be offered and issued per Employee and in the aggregate Paras Defence ESOP 2024

The maximum number of options to be granted per employee, per grant and in aggregate shall not exceed 7,95,000 (Seven Lakhs Ninety Five Thousand).

Further, the number of Options that may be granted to any identified Employee(s) of the Company or its Subsidiary Company(ies), Associate Company(ies), Group Company(ies) (in any one year under Paras Defence ESOP 2024 shall not be equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversions) of the Company at the time of grant of Options, if the prior specific approval from members of the Company through a special resolution to this effect is not obtained.

j) Maximum quantum of benefits to be provided per Employee under the Paras Defence ESOP 2024

The maximum quantum of benefits shall refer to the maximum number of Options that may be granted to each per employee, per grant and in aggregate.

No benefit other than grant of Options under Paras Defence ESOP 2024, and any consequential grant of equity shares of the Company is contemplated under Paras Defence ESOP 2024. Therefore, the maximum quantum of benefits under Paras Defence ESOP 2024 is the difference between the market value of the equity shares of the Company, and the exercise price of the Options, as on the date of exercise.

k) Whether Paras Defence ESOP 2024 is to be implemented and administered directly by the Company or through a trust

The Paras Defence ESOP 2024 will be implemented directly by the Company under the guidance of the Board of Directors/ its Nomination and Remuneration Committee.

l) Whether Paras Defence ESOP 2024 involves new issue of shares by the Company or secondary acquisition by the trust

The Paras Defence ESOP 2024 will involve only new issue of shares by the Company.

m) The amount of loan to be provided for implementation of the Paras Defence ESOP 2024 by the Company to the trust, its tenure, utilization, repayment terms, etc.

Not Applicable.

n) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Paras Defence ESOP 2024

Not Applicable.

o) Disclosure and accounting policies

The Company shall follow the laws/regulations applicable to accounting and disclosure related to Employee Stock Options, including but not limited to SEBI (SBEB and Sweat Equity) Regulations as well as section 133 of the Companies Act, the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Regulatory authorities from time to time, including the disclosure requirements prescribed therein.

The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features/Scheme document of the Paras Defence ESOP 2024 in a format as prescribed under SEBI (SBEB and Sweat Equity) Regulations, 2021.

The Company shall disclose details of Grant, Vest, Exercise and lapse of the Employee Stock Options in the Directors' Report or in an annexure thereof as prescribed under the Companies Act, 2013 read with rules made thereunder and under SEBI (SBEB and Sweat Equity) Regulations or any other Applicable Laws as in force.

p) Method of valuation of Options

The Company will follow IFRS/ IND AS/ any other requirements for accounting of the stock Options as are applicable to the Company for the same.

Since the Company opts for expensing of share based employee benefits using the fair value method, the following statement will not be applicable viz.

In case the Company opts for expensing of share based employee benefits using the intrinsic value intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' Report.

q) Lock-in period, if any

The Shares issued upon exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise. However, the Board or Committee as may be authorised by the Board may, in some cases, provide for lock-in of Shares issued upon exercise of Options, which shall be mentioned in grant letter issued to the Option Grantee.

Provided that the transferability of the Shares shall be subject to the restriction for such period in terms of the Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended from time to time or for such other period as may be stipulated from time to time in terms of Company's Code of Conduct for Prevention of Insider Trading, as and when these regulations applicable to the Company.

r) Terms & conditions for buyback, if any, of specified securities covered under the SEBI (SBEB and Sweat Equity) Regulations

The procedure for buy-back of specified securities issued under SEBI SBEB and Sweat Equity Regulations, if to be undertaken at any time by the company and the applicable terms and conditions, including:

- (i) permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and

- (iii) limits upon quantum of specified securities that the company may buy-back in financial year.

For the purpose of this Clause, specified securities means as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

s) Rights of the Option holder

The Employee shall not have right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of the Option granted to him, till shares are allotted upon exercise of Option.

t) Consequence of failure to exercise Option

All unexercised Options shall lapse if not exercised on or before the exercised period ends.

Further, no amount paid/payable by the Employee at the time of the grant, vesting or exercise of the Options, hence, no amount is required to be forfeited if the Employee does not exercise the same within the exercise period.

u) Certificate from Secretarial Auditors

The Board of Directors shall at each annual general meeting place before the Members a certificate from the secretarial auditors of the company that the scheme(s) has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the company in the general meeting.

v) Terms of the scheme:

- 1) The Company shall not vary the terms of the Paras Defence ESOP 2024 in any manner, which may be detrimental to the interests of the Option grantees: Provided that the Nomination and Remuneration Committee shall be entitled to vary the terms of the Paras Defence ESOP 2024 to meet any regulatory requirements without seeking shareholder's approval by special resolution in terms of regulation 7 of SEBI (SBEB and Sweat Equity) Regulations.
- 2) Subject to clause (a) of sub-rule (5) of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and relevant regulation of SEBI (SBEB and Sweat Equity) Regulations, the Company may by special resolution in a general meeting vary the terms of the scheme offered pursuant to an

earlier resolution of the general body but not yet exercised by the Employee provided such variation is not prejudicial to the interests of the Option grantees.

- 3) The notice for passing special resolution for variation of terms of the Paras Defence ESOP 2024 scheme shall disclose full details of the variation, the rationale therefore and the details of the Option grantees who are beneficiaries of such variation.
- 4) The Company may re-price the Options as the case may be which are not exercised, whether or not they have been vested if the terms of the grants were rendered unattractive due to fall in the price of the shares in the stock market; provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option grantees and approval of the Members in general meeting has been obtained for such re-pricing.

w) Transferability of Employee Stock Options:

- 1) The Options granted to an Employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be vest in his legal heirs or nominees.
- 2) In the event of resignation or termination of the Option grantee, all the Options which are granted and yet not vested as on that day shall lapse.
- 3) In the event that an Option grantee who has been granted benefits under a Paras Defence ESOP 2024 scheme is transferred or deputed to its Subsidiary Company(ies) or Associate Company(ies) or Group Company(ies) (present or future) prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed Employee, even after the transfer or deputation.

x) Other terms

The Board or Nomination and Remuneration Committee shall have the absolute authority to vary, modify or alter the terms of the Paras Defence ESOP 2024 in accordance with the Companies Act, 2013, as amended read with rules made thereunder, any regulations and guidelines as prescribed by



the SEBI or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the Option grantees.

The Board of Directors or Nomination and Remuneration Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate the Paras Defence ESOP 2024, subject to compliance with the applicable laws and regulations.

The shares may be allotted directly to the Option grantees in accordance with the Paras Defence ESOP 2024 and such Paras Defence ESOP 2024 may also contain provisions for providing financial assistance to the Employees to enable the Employees to acquire or subscribe to the shares.

Consent of the members is sought pursuant to the provisions of section 62 (1) (b) and all other applicable provisions, if any, of the Companies Act, 2013, as amended and as per the requirement of regulation 6 of the SEBI (SBEB and Sweat Equity) Regulations.

None of the Directors and Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution No. 11(A) and 11(B), except to the extent of their shareholding entitlements, if any, under the Paras Defence ESOP 2024 scheme.

Your directors recommend the Resolution set 11(A), and 11(B) of the Notice for approval by the Members as Special Resolution/s.

For and on behalf of the Board of Directors of
Paras Defence and Space Technologies Limited

Date: August 27, 2024

Place: Navi Mumbai **Jajvalya Raghavan**
Company Secretary and Compliance Officer

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