



CIN: L15420PN1933PLC133303

Registered Office: P.O. Tilaknagar, Tal. Shrirampur,
Dist. Ahmednagar, Maharashtra-413 720

Corporate Office: 3rd Floor, Industrial Assurance Building,
Churchgate, Mumbai, Maharashtra-400 020

Email: investor@tilind.com, **Website:** www.tilind.com, **Phone:** +91 22 22831716/18,
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POSTAL BALLOT NOTICE

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

REMOTE E-VOTING STARTS ON	REMOTE E-VOTING ENDS ON
Monday, July 29, 2024	Tuesday, August 27, 2024

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, ('the Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, ('Rules'), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs ('MCA') vide its General Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020 and other relevant circulars, the latest one being General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ('MCA Circulars') (collectively referred to as 'MCA Circulars'), to transact the special business as set out hereunder by passing Special Resolutions by way of postal ballot only by voting through electronic means (remote e-voting).

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice ('Notice') is being sent by Tilaknagar Industries Limited ('the Company') only through electronic mode to those Members whose email addresses are registered with the Company / Registrar and Transfer Agent ('RTA') / Depository Participants (DPs). Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot. The process for registration of email address is appended in the Notes to this Notice. In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules, MCA Circulars and SS-2, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. The communication of the assent or dissent of the Members would only take place through the remote e-voting system. The Company has engaged the services of the Central Depository Services (India) Limited ("CDSL") for the purpose of providing remote e-voting facility to its Members.

The Explanatory Statement pursuant to Sections 102 and 110 and other applicable provisions of the Act along with disclosures mandated under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, pertaining to the said Resolutions setting out the material facts and the reasons/rationale thereof are annexed to this Notice.

This Notice is being sent to all the Members, whose names are recorded in the Register of Members/Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Friday, July 19, 2024. The Members/Beneficial Owners as on the cut-off date are entitled to vote under the e-voting facility offered by the Company and any other recipient of the Notice who has no voting rights should treat this Notice for information purpose only.

Members desiring to exercise their vote through the remote e-voting facility arranged by the Company are requested to carefully read the instructions and follow the procedure as stated in the Notes forming part of this Notice for casting of votes not later than Tuesday, August 27, 2024 at 5:00 p.m (IST). The remote e-voting facility will be disabled by CDSL immediately thereafter and voting shall not be allowed beyond the said time and date.

The Board of Directors of the Company has appointed Mr. Pradyumansinh Vala, Practicing Company Secretary (FCS-5193 C.P. No. 4237) as the Scrutiniser to scrutinize the remote e-voting process in a fair and transparent manner.

After completion of scrutiny of the votes cast, the Scrutiniser will submit his report to the Chairman or any other person authorised by him. The results declared, along with the Scrutiniser's Report, shall be announced by the Chairman or such person as authorised on or before Thursday, August 29, 2024 at the Corporate Office of the Company. The Scrutiniser's decision on the validity of votes cast will be final. The declaration/announcement of the results as stated above shall be treated as declaration of results at a duly convened General Meeting of the Members. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. www.tilind.com and CDSL i.e. www.evotingindia.com and shall also be forwarded to the Stock Exchanges on which shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited.

RESOLUTIONS TO BE PASSED THROUGH POSTAL BALLOT

SPECIAL BUSINESS:

1. APPROVAL OF TILAKNAGAR STOCK APPRECIATION RIGHTS SCHEME 2024 (“SAR SCHEME”) AND TO GRANT STOCK APPRECIATION RIGHTS (SARs) UNITS TO THE EMPLOYEES OF THE COMPANY.

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

“RESOLVED THAT pursuant to Section 67 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder; the relevant provisions of Memorandum and Articles of Association of the Company; the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as ‘SBEB & SE’); the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Foreign Exchange Management Act, 1999, any rules, guidelines and regulations issued by the Reserve Bank of India; including any statutory modification(s) or re-enactment thereof, for the time being in force or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to permissions and approvals as may be required and such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any duly constituted committee of the Board, including the Nomination and Remuneration Committee which the Board has constituted to exercise certain powers, including the powers conferred by this resolution), the approval of the Members of the Company be and is hereby accorded to the introduction and implementation of **Tilaknagar Stock Appreciation Rights Scheme 2024 (“SAR SCHEME”)**, the salient features of which are furnished in the explanatory statement to the Notice; and to authorize the Board to grant and offer at any time, to or for the benefit of eligible employees, who are in employment of the Company (present and future), exclusively working in India or outside India, including any Director, whether whole-time or otherwise (other than the employee who is Promoter or person belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) on such terms and in such manner as the Board may decide under the SAR SCHEME in accordance with the SBEB & SE and other applicable laws, such number of Stock Appreciation Rights (“SARs”) Units to be settled in Equity Shares, at such price/quantity, or in accordance with such formula, as may be applicable, on such terms and conditions as may be fixed or determined by the Board in accordance with the SBEB & SE or other provisions of the applicable law as may be prevailing at that time such that the SAR shall not exceed, in aggregate 50,00,000 Equity Shares of Rs. 10/- each of the Company;

RESOLVED FURTHER THAT the **SAR SCHEME** be implemented and administered through a Trust under SBEB & SE proposed to be set-up by the Company in accordance with the provisions of the SBEB & SE and other applicable laws and regulations in force;

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation of capital structure of the Company, such as reclassification of shares, splitting up of the face value of shares, sub division of shares, as applicable from time to time, the Board shall decide on the fair and reasonable adjustment to be made to the SARs granted earlier, in compliance with the applicable laws;

RESOLVED FURTHER THAT the Board be and is hereby authorised to devise, formulate, evolve, decide upon and implement the **SAR SCHEME** and determine the detailed terms and conditions of the aforementioned **SAR SCHEME**, including but not limited to the quantum of the SARs to be granted per employee, the number of SARs to be issued in each tranche, the terms or combination of terms subject to which the SARs are to be issued, the exercise period, the vesting period, the vesting conditions, instances where such SARs shall lapse and adjustments to be made pursuant to lapse of SARs and to grant such number of SARs, to eligible employees of the Company, at par or at such other price, at such time and on such terms and conditions as set out in the **SAR SCHEME** and as the Board may in its absolute discretion thinks fit;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things, as may, at its absolute discretion, deem necessary and proper, including appoint various intermediaries, experts, professionals, independent agencies and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the SAR SCHEME, as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals, if any, required by SEBI/ the Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard;

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any modifications, changes, variations, alterations or revisions in the said SAR SCHEME as it may deem fit, from time to time or to suspend, withdraw or revive the SAR SCHEME from time to time in accordance with the provisions of the SBEB & SE and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted SARs under the **SAR SCHEME**;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of Directors or the Trust, with power to further delegate such powers 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.”

2. APPROVAL FOR EXTENSION OF TILAKNAGAR STOCK APPRECIATION RIGHTS SCHEME 2024 (“SAR SCHEME”) TO EMPLOYEES OF GROUP COMPANY(IES) INCLUDING ITS SUBSIDIARY(IES)/ ASSOCIATE COMPANY(IES):

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

“RESOLVED THAT pursuant to Section 67 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder; the relevant provisions of Memorandum and Articles of Association of the Company; the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as ‘SBEB & SE’); the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, any rules, guidelines and regulations issued by the Reserve Bank of India; including any statutory modification(s) or re-enactment thereof, for the time being in force or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to such other permissions and approvals as may be required and such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any duly constituted committee of the Board, including the Nomination and Remuneration Committee, which the Board has constituted to exercise certain powers, including the powers conferred by this resolution), the approval of the Members of the Company be and is hereby accorded to extend the benefits of the Tilaknagar Stock Appreciation Rights Scheme 2024 (“SAR SCHEME”), referred to in Resolution No. 1 of this Notice, to offer and grant from time to time, in one or more tranches, such number of Stock Appreciation Rights (“SARs”) Units to be settled in Equity Shares, at such price/quantity, or in accordance with such formula, as may be applicable, on such terms and conditions as may be fixed or determined by the Board in accordance with the SBEB & SE or other provisions of the applicable law as may be prevailing at that time such that the SARs shall not exceed, in aggregate 50,00,000 Equity Shares of Rs. 10/- each of the Company (as referred to in Resolution No. 1) and to or for the benefit of the employees, exclusively working in India or outside India, who are in the employment of the Group Company(ies) including its Subsidiary(ies) / Associate Company(ies)/ (present and future, if any) including any Director, whether whole-time or otherwise (other than the employee who is Promoter or person belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) on such terms and in such manner as the Board may decide under the SAR SCHEME in accordance with the SBEB & SE and other applicable laws;

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation of capital structure of the Company, such as reclassification of shares, splitting up of the face value of shares, subdivision of shares, as applicable from time to time, the Board shall decide on the fair and reasonable adjustment to be made to the SARs granted earlier, in compliance with the applicable laws;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient to extend the benefits of SAR SCHEME for employees of its Group Company(ies) including its Subsidiary(ies) / Associate Company(ies) and to do all other things incidental to and ancillary thereof.”

3. IMPLEMENTATION OF TILAKNAGAR STOCK APPRECIATION RIGHTS SCHEME 2024 (“SAR SCHEME”) THROUGH THE TRUST

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

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 (the ‘Act’), SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment(s) thereof for the time being in force (hereinafter referred to as ‘SBEB & SE’) and other applicable laws, if any, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, 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 any committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), to implement Tilaknagar Stock Appreciation Rights Scheme 2024 (“SAR SCHEME”) referred to in Resolution Nos. 1 and 2 of this Notice through a Trust (“Tilaknagar Employee Welfare Trust”) to be set up as per the provisions of all applicable laws and the Trust may acquire, purchase, hold and deal in fully paid-up equity shares of the Company for the purpose of implementation of the SAR SCHEME in due compliance with the provisions of the SBEB & SE, and other applicable laws and regulations;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the members of the Company.”

4. AUTHORIZATION TO THE TRUST FOR SECONDARY ACQUISITION

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

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 (the ‘Act’), SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment(s) thereof for the time being in force (hereinafter referred to as ‘SBEB & SE’) and other applicable laws if any, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the members of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), for secondary acquisition of Equity Shares of the Company from the secondary market through a Trust (“Tilaknagar Employee Welfare Trust” hereinafter referred to as ‘Trust’) to be set up for implementation of SAR SCHEME referred to in Resolution Nos. 1 and 2 of this Notice, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with SBEB & SE, not exceeding 50,00,000 Equity Shares of Rs. 10/- each of the Company;

RESOLVED FURTHER THAT the Equity Shares that can be acquired from the secondary market in any financial year by the Trust shall not exceed 2% of the paid-up Equity Share capital as at the end of the financial year preceding the date of the intended acquisition or such other ceiling as may be permitted under the applicable laws;

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, sub-division, consolidation, change in capital structure and others, if any, additional Stock Appreciation Rights (SARs) Units of the Company shall be granted to the employees pursuant to the SAR SCHEME, for the purpose of making a fair and reasonable adjustment to the SAR granted to them, the number of paid-up equity shares in the above ceiling of 50,00,000 Equity Shares of Rs. 10/- each of the Company be deemed to be increased or reduced in proportion to the changes in the Equity Shares in the aforesaid corporate action(s);

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and the Trust severally be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the Members of the Company.”

5. APPROVAL FOR PROVISION OF MONEY BY THE COMPANY TO THE TRUST FOR PURCHASE OF THE SHARES OF THE COMPANY FOR IMPLEMENTATION OF TILAKNAGAR STOCK APPRECIATION RIGHTS SCHEME 2024 (“SAR SCHEME”)

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

“RESOLVED THAT pursuant to the provisions of Section 67 of the Companies Act, 2013 (the ‘Act’) read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or reenactment thereof for the time being in force (hereinafter referred to as ‘SBEB & SE’) and other applicable laws and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company in its sole discretion (hereinafter referred to as the ‘Board’, which expression shall also include any Committee including Nomination and Remuneration Committee constituted by the Board for this purpose), consent of the Members of the Company be and is hereby accorded to the Board to grant loan(s) in one or more tranches, and/or to give guarantee or provide security in connection with loan(s) to be granted to the Trust (proposed to be set-up by the Company), for secondary acquisition of the Equity Shares of the Company from time to time pursuant to Tilaknagar Stock Appreciation Rights Scheme 2024 (“SAR SCHEME”), upto an amount not exceeding 5% of the aggregate of the paid-up share capital and free reserves of the Company, subject to the ceiling of Equity Shares as may be prescribed under the SAR SCHEME and as permitted under SBEB & SE and other applicable laws;

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure compliance of the applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed;

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 may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the members of the Company.”

For Tilaknagar Industries Limited

Sd/-

Minuzeer Bamboat
Company Secretary & Compliance Officer

Place: Mumbai
Date: July 26, 2024

Registered Office:

P.O. Tilaknagar, Tal. Shrirampur,
Dist. Ahmednagar, Maharashtra-413 720

Notes:

1. The Explanatory Statement pursuant to Section 102(1) and 110 of the Companies Act, 2013("Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, ('Rules') and other applicable provisions, as amended from time to time setting out all the material facts with respect to each item of the Special Business is annexed hereto.
2. In compliance with the MCA Circulars, the Company is sending this Notice only in electronic form to those Members whose names appear in the Register of Members/List of Beneficial Owners as received from Big share Services Private Ltd., the Company's Registrar and Transfer Agent ('RTA') / Depositories as on Friday, July 19, 2024 ('Cut-Off date') and whose email addresses are registered with the Company/ RTA/Depository Participants (in case of electronic shareholding)or who will register their email address in accordance with the process outlined in this Notice and the communication of assent/dissent of the members will only take place through the remote e-voting system.
3. Hence, in accordance with the MCA Circulars, physical copies of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope are not being sent to the shareholders for this Postal Ballot and shareholders are required to communicate their assent or dissent through the remote e-voting system only.
4. The Postal Ballot Notice is also placed on the website of the Company i.e. www.tilind.com and CDSL i.e. www.evotingindia.com and on website of BSE and NSE.
5. Members who wish to inspect the documents referred to in the Notice or Explanatory Statement may send their requests at investor@tilind.com from their registered email address mentioning their Name, Folio Number / DP ID & Client ID until the last date of remote e-voting period of this Postal Ballot i.e. Tuesday, August 27, 2024.
6. The Company is pleased to provide remote e-voting facility to its Members, to enable them to cast their votes electronically through the Electronic Voting (e-voting) Services provided by Central Depository Services (India) Limited. (CDSL). The instructions for remote e-voting are mentioned in Note No.26 of this Notice. A Member shall only avail this facility as per the instructions provided herein.
7. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off date i.e. Friday, July 19, 2024. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

It is however clarified that, all Members of the Company as on the Cut-Off date (including those Members who may not have received this Notice due to non-registration of their email addresses with the Company / RTA / Depositories) shall be entitled to vote in relation to the aforementioned resolutions in accordance with the process specified in this Notice.

8. The remote e-voting shall commence on **Monday, July 29, 2024 at 9:00 a.m. (IST)** and shall end on **Tuesday, August 27, 2024 at 5:00 p.m (IST)**. During this period, Members of the Company holding shares in physical or electronic form as on the Cut-Off date may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
9. The voting for this Postal Ballot cannot be exercised through proxy.
10. During the voting period, Members can login to CDSL's e-voting platform any number of times till they have voted on the Resolutions. Once the vote on a Resolution is casted by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
11. The Board of Directors has appointed Mr. Pradyumansinh Vala, Practicing

Company Secretary (FCS-5193 C.P.No. 4237) as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

12. The Scrutinizer will submit his report to the Chairman/any other Director/Key Managerial Personnel as may be authorized by the Chairman after completion of the e-voting. The results will be declared on or before Thursday, August 29, 2024 at the Corporate Office of the Company and will also be displayed on the website of the Company i.e. www.tilind.com and CDSL i.e. www.evotingindia.com and shall also be forwarded to the Stock Exchanges on which shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited.
13. Resolutions passed by Members through Postal Ballot are deemed to have been passed (if approved by requisite majority) as if they have been passed at a duly convened General Meeting of the Members. The resolutions, if approved by the requisite majority shall be deemed to have been passed on the last date of voting, i.e., Tuesday, August 27, 2024.
14. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
15. Members who have not registered their e-mail address with the Company can now register the same by sending an e-mail at investor@tilind.com and/or by sending a request to Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agent (RTA) through e-mail at investor@bigshareonline.com or contact at (022) 6263 8200. Members holding Shares in demat form are requested to register their e-mail address with their DP only. The registered e-mail address will be used for sending future communications.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for a long time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
17. As per Regulation 40 of the SEBI Listing Regulations and recent circulars, SEBI has mandated listed companies to issue securities in dematerialized form only while processing service requests pertaining to viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.
18. SEBI has mandated the updation of PAN, contact, Bank account, specimen signature and nomination details, against folio / demat account. PAN is also required to be updated for participating in the securities market, deletion of name of deceased holder and transmission / transposition of shares. As per applicable SEBI Circular, PAN details are to be compulsorily linked to Aadhar details by the date specified by Central Board of Direct Taxes. Members are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their Depository Participant ("DP") in case of holding in dematerialized form or to Company's Registrar and Share Transfer Agents through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable).
19. In view of the same and to eliminate all risks associated with physical shares and inherent benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agent of the Company for further assistance in this regard.
20. Pursuant to Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in single name are entitled to nominate a person to whom their shares in the Company shall vest in the event of their demise by sending a nomination in the prescribed Form No. SH-13 or make changes to their nomination details through Form SH-14 and Form ISR-3 duly filled in to Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agent of

the Company. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

21. Members holding shares in physical form are requested to approach Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agent of the Company at Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Tel: (022) 6263 8200, Fax: (022) 6263 8299, E-mail: investor@bigshareonline.com, Website: www.bigshareonline.com for:

- a. intimating any change in their address and/or bank mandate;
- b. submitting requests for transmission, name deletion, issue of duplicate share certificates, name change, split, consolidation, etc.;
- c. nominating any person to whom the shares shall vest in the event of death;
- d. updating/registering their e-mail address for correspondence; and
- e. any other queries with respect to shares held by them.

22. Members holding shares in electronic form are hereby informed that the Company or its Registrar cannot act on any request received directly from them for any change of address and/or bank mandate or change in e-mail address. Such changes are to be intimated only to the Depository Participants of the Members.

23. Members are requested to quote their Client ID and DP ID in respect of shares held in electronic form and ledger folio number in respect of shares held in physical form in all their correspondence.

24. To support the 'Green Initiative', Members who have not registered their e-mail address for receiving all communications including Annual Report, Notices and Circulars, etc. from the Company electronically, are requested to register the same with their Depository Participants (for shares held in electronic form) and with Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agents of the Company (for shares held in physical form).

25. This Notice is being sent, by e-mail, only to those eligible Members who have registered their e-mail address with the Depositories/the depository participant/the Company's Register and Share Transfer Agent/the Company as on Friday, July 19, 2024.

Process for those Members whose email address/mobile number are not registered with the Company/Depositories, for procuring user id and password and registration of e-mail address/ mobile number for e-voting for the resolutions set out in this Notice:

Physical Holding	Send a request to Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agent at info@bigshareonline.com providing your name, folio no., scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card and self-attested scanned copy of Aadhar Card, for registering e-mail address/mobile number.
Demat Holding	Please contact your DP and register your e-mail address/mobile number in your demat account, as per the process advised by your DP.

26. **Information and other instructions relating to e-voting are as under:**

1. The voting period begins on **Monday, July 29, 2024 at 9:00 a.m. (IST)** and shall end on **Tuesday, August 27, 2024 at 5:00 p.m (IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, July 19, 2024 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated

December 09, 2020, under Regulation 44 of the SEBI Listing Regulations, listed entities are required to provide remote e-Voting facility to its Members, in respect of all Members' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to the above SEBI circular, Login method for e-voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered mobile & e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting

	Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select Register Online for IDeAS Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

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

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

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

Login method for e-voting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

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

(vi) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or the Company, please enter the Member ID/Folio Number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, Members holding shares in demat form will now reach “Password Creation” menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for “Tilaknagar Industries Ltd.” on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO

implies that you dissent to the Resolution.

- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the Resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xviii) **Additional Facility for Non-Individual Shareholders and Custodians for Remote Voting only**

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the Corporates’ Modules.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
 - Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc., together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the scrutiniser and to the Company at the e-mail address viz investor@tilind.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.
- (xix) If you have any queries or issues regarding e-voting from the CDSL e-voting System, you can write an e-mail to helpdesk.evoting@cdslindia.com or contact at 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel(East), Mumbai - 400 013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 21 09911.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Pursuant to Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 1 to 5 of the accompanying Notice dated July 26, 2024 along with disclosures mandated under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB & SE).

Item No. 1 to 5

Your Company places a strong emphasis on the holistic well-being of its employees. As part of its mission to foster a dynamic and engaging work environment, the Company has implemented numerous initiatives and programs aimed at ensuring the happiness of its workforce. Equity-linked compensation is widely acknowledged as a fundamental component of employee remuneration in various industries. It facilitates the synchronization of individual employees' personal objectives with organizational goals by allowing them to partake in the ownership of the Company through stock-based compensation programs.

Further, it inspires employees to actively contribute to the Company's growth, foster an employee ownership culture, attract new talent, and ensure the retention of valuable personnel for sustained growth.

Based on the recommendation of erstwhile Compensation Committee (the powers now entrusted to the Nomination and Remuneration Committee), the Board of Directors at its Meeting held on Monday, February 12, 2024, considered and approved the following, subject to the approval of the Members of the Company and such other regulatory/statutory approvals as may be necessary:

- a. Formulation of Tilaknagar Stock Appreciation Rights Scheme 2024 ("SAR Scheme") as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE") for eligible employees of the Company, its Subsidiaries, Associate(s) and Group Companies in India or outside India as maybe determined and decided by the Compensation Committee (the powers now entrusted to the Nomination and Remuneration Committee);
- b. Setting up Tilaknagar Employee Welfare Trust ("Trust") for implementation of Tilaknagar Stock Appreciation Rights Scheme 2024 and to acquire such number of Equity Shares, as may be required to implement said scheme, from secondary market by the said Trust.

The Resolutions contained at Item Nos. 1 to 5 set out in the Notice are being placed for approval of the Shareholders of the Company as per the following details :-

- A) In terms of Regulation 6 of SBEB & SE and applicable provisions of the Companies Act, 2013 ("the Act"), the scheme for grant of Stock Appreciation Rights ("SARs") Units to the eligible employees of the Company requires approval of the shareholders by way of a special resolution. Accordingly, the approval is sought to implement SAR Scheme as set out at Item No. 1.
- B) Further, as per Regulation 6(3) of SBEB & SE, approval of the shareholders by way of separate resolution is also required for granting SARs to the eligible Employees of the Group Company(ies) including Subsidiary Company(ies) or Associate company(ies), in India or outside India. Accordingly, the approval is sought for granting of SARs to the eligible employees of Group Companies as set out at Item No. 2.
- C) Further, as per Regulation 6(3) of SBEB & SE, approval of the shareholders by way of separate resolution is also required for Secondary Acquisition of Equity Shares by the Trust (as defined in the Resolution) for implementation of the SAR Scheme. The objects of the Trust are given below in the disclosures as per Rule of 16 of Companies (Share Capital and Debentures) Rules, 2014. Accordingly, the approval is sought for secondary acquisition of Equity Shares of the Company by the Trust from secondary market as set out at Item No. 3 & 4.
- D) Further, in order to execute SAR Scheme, through the Trust, the Company is required to make provision of funds to the Trust so as to enable it to purchase the Equity Shares of the Company in compliance with Section 67 of the Companies Act, 2013 read with Rule 16 of Companies (Share Capital and Debentures) Rules, 2014. Accordingly, the approval is sought for making provision of funds by the Company to the Trust as set out at Item No. 5.

The salient features of the Scheme as required pursuant to Regulation 6(2) of SBEB & SE Regulations are as under:

1. Brief description of the Scheme:

The Board had, at its Meeting held on Monday, February 12, 2024, based on the recommendation of Compensation Committee and subject to the approval of the Members of the Company and such other regulatory/statutory approvals as may be necessary, considered and approved the formulation of Tilaknagar Stock Appreciation Rights Scheme 2024 ("SAR Scheme"). As per the SAR Scheme, the same was to be implemented and administered by the Compensation Committee. Subsequently, in its meeting dated May 21, 2024, the Board of Directors have dissolved the Compensation Committee and have entrusted the powers delegated to the Compensation Committee to the Nomination and Remuneration Committee. Hence, the SAR Scheme shall henceforth be implemented and administered through the Nomination and Remuneration Committee (hereinafter referred to as the "**Committee**") which shall further delegate the powers to Trust (proposed to be set up).

The Scheme shall be called **Tilaknagar Stock Appreciation Rights Scheme 2024 ("SAR Scheme")**. The SAR Scheme shall be implemented and administered in accordance with applicable laws through the Committee and a Trust. Accordingly, the SAR Scheme involves setting up Tilaknagar Employee Welfare Trust ("Trust") for implementation of SAR Scheme and to acquire such number of Equity Shares, as may be required to implement SAR Scheme, from secondary market by the said Trust.

In terms of the SAR Scheme, the incentive is linked to the appreciation in the market price of the Equity Shares of the Company over the tenure of the SAR Scheme. In case there is a requirement for primary acquisition of Equity Shares in the future, for the purposes of the implementation of the SAR Scheme, the Committee and the Trust shall take all steps for such acquisitions, in accordance with the applicable provisions of the SBEB & SE, the Act and other applicable laws, including obtaining the approval of the shareholders of the Company, if any.

The SAR Scheme contemplates grant of Stock Appreciation Rights ("SARs") Units to the eligible employees of the Company and its Group Company(ies) including its Subsidiary(ies)/ Associate Company(ies), present and future, if any.

On vesting of SARs, the eligible employees earn a right, but not an obligation, to exercise the vested SARs within the exercise period and accordingly the equity shares of the Company shall be transferred by the Trust subject to payment /settlement/ adjustment of exercise price and satisfaction of any tax obligation arising thereon and other terms and conditions of the SAR Scheme.

The SAR Scheme will also permit cashless exercise of SARs. When a grantee exercises the SARs, the corresponding Equity Shares relating to such exercised SARs will be sold within a reasonable time on a stock exchange on which the shares are listed and publicly traded at the time of such cashless exercise, and the grantee will be entitled to receive the difference between the selling price and the SAR(s) Price for the SARs exercised by him/ her after deducting the exercise price and taxes payable on such exercise/sale, if any, and other amounts, expenses and charges due from him/her (including that in connection with the sale of shares).

The Trust shall administer the SAR Scheme under the guidance of the Committee. All questions of interpretation of the SAR Scheme shall be determined by the Committee or Trust as per the terms of the SAR Scheme. The Committee shall have the right and discretion to settle the SARs upon exercise, by way of Equity Shares and the Committee/ Trust shall take all steps required under the applicable law to enable such settlement.

2. The total number of SARs to be offered and granted:

The Trust shall undertake Secondary Acquisition of Equity Shares of the Company so that the total number of shares under secondary acquisition held by the Trust shall not exceed 5% of the existing paid-up equity share capital of the Company of the respective previous financial year restricted to an upper limit of 50,00,000 Equity Shares of Rs 10/- each of the Company.

It is further clarified that the aggregate number of shares referred to in Resolution No. 1 and Resolution No. 2 shall not in aggregate exceed 50,00,000 Equity Shares of Rs. 10/- each of the Company.

Each SARs shall confer the right on the eligible employee to receive appreciation with respect to the underlying Equity Share on the entitled SARs on it being exercised in accordance with terms of the SAR Scheme and shall be transferred by the Trust to the employee or the Trust may sell shares equivalent to such appreciations on the Stock Exchange if the grantee opts for cashless exercise of SARs, in the manner specified by the Committee.

In case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, split or consolidation among others, a fair and reasonable adjustment needs to be made to the SARs granted under the SAR Scheme. Accordingly, if any additional SARs are issued by the Company to the grantees for making such fair and reasonable adjustment, the ceiling of 50,00,000 Equity Shares of Rs. 10/- each of the Company shall be deemed to be adjusted (expanded or reduced) to that extent.

SARs not vested due to non-fulfilment of the vesting conditions or not exercised shall lapse and these SARs will be available for grant under the present SAR Scheme, subject to compliance with applicable laws.

The maximum aggregate number of Equity Shares that would be acquired from the secondary market by the Trust in a financial year and thereby the SARs that may be granted in a financial year under the SAR Scheme shall not exceed the limits as specified under Regulation 3(10) of the SBEB & SE. Further, the Trust shall at no time hold Shares (acquired from the secondary market) more than the limits as specified under Regulation 3(11) of the SBEB & SE. The limits are mentioned in point 14.

3. Identification of classes of employees entitled to participate and be beneficiaries in the scheme:

Following classes of employees are entitled to participate in the Scheme:

- a. an employee as designated by the Company, who is exclusively working in India or outside India;
- b. a director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director;
- c. an employee as mentioned above in point (a) or (b) of a Group Company including Subsidiary(ies) or its Associate Company(ies), 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 any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Equity Shares of the Company.

An employee shall continue to be an employee during the period of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company and any Subsidiary(ies) or Group Company.

The Employees to whom the SARs would be granted and their Eligibility Criteria (including but not limited to performance, merit, grade, conduct and length of service of the Employee) would be determined by the Committee, in its absolute discretion from time to time.

4. Requirements of vesting and period of vesting:

The Committee may, at its discretion, lay down certain criteria including but not limited to performance metrics (including business performance and achievement of set business targets) on the achievement of which, the granted SARs would vest. The vesting of the SARs can vary from Grantee to Grantee as per the discretion of the Committee. The decision of the Committee shall be final and binding. The detailed terms and conditions relating to such criteria for vesting would be governed by the SAR Scheme.

The period over which and the proportion in which the SARs granted would vest would be subject to the minimum and maximum vesting period as specified below.

Vesting period for SARs: The SARs would vest not earlier than 1 (One) year and not later than 4 (Four) years from the date of grant of SARs as may be determined by the Committee. The vesting schedule (i.e. exact proportion in which and the exact period over which the SARs would vest) would

be determined by the Committee, subject to the minimum vesting period of one year from the date of grant of SARs. The SARs granted under the SAR Scheme shall vest in one or more tranches.

5. Maximum period within which the SARs shall be vested:

Maximum period within which the SARs Units shall be vested is 4 (Four) years from the date of grant of SARs as may be determined by the Committee. The decision of the Committee shall be final and binding.

6. SARs price or pricing formula:

SAR(s) Price shall be calculated on the basis of the Market Price (on the stock exchange with the highest volume) as on the Grant date, as discounted by such percentage as may be determined by the Committee, in its absolute discretion.

The Exercise Price for exercising the SARs shall not be less than the face value of the Equity Shares.

Upon duly exercise of SARs, the Committee shall calculate the amount of appreciation which shall be the difference between the Market Price of the Equity Share of the Company as on the date of exercise of SARs or the date of vesting of SARs, as the case may be, and the SAR(s) price.

7. Exercise period and process of exercise:

The Committee shall decide the exercise period from time to time which can be extended up to 4 (Four) years from the vesting date(s). The grantee can exercise the SARs at any time after the vesting date either in full or in tranches by making full payment of exercise price and applicable taxes and by execution of such documents as may be prescribed by the Committee, from time to time.

The SAR Scheme will also permit cashless exercise of SARs. When a grantee exercises the SARs, the corresponding Equity Shares relating to such exercised SARs will be sold within a reasonable time on a stock exchange on which the shares are listed and publicly traded at the time of such cashless exercise, and the grantee will be entitled to receive the difference between the selling price and the SAR(s) Price for the SARs exercised by him/ her after deducting the exercise price and taxes payable on such exercise/sale, if any, and other amounts, expenses and charges due from him/her (including that in connection with the sale of shares). For the purpose of implementing the cashless exercise, the Committee shall be entitled to specify such procedures and/or mechanisms for exercise of the SARs as may be necessary and the same shall be binding on the grantee. The mode and manner of the exercise shall be communicated to the Grantees individually.

If the SARs are not exercised within the exercise period they shall lapse and be cancelled forthwith. The Company shall not have any obligations to the SARs holder towards such lapsed SARs.

8. The appraisal process for determining the eligibility of employees for the scheme:

The Committee may on the basis of all or any of the following criteria, decide on the Employees of the Company or Group Companies who are eligible for the grant of SARs under the SAR Scheme and the terms and conditions thereof.

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

9. Maximum number of SARs to be offered and issued per employee and in aggregate, if any:

The maximum number of SARs to be granted to any employee under the SAR Scheme, in any financial year and in aggregate shall be as determined by the Committee. However, the number of SARs that may be granted to a single employee under the SAR Scheme shall not exceed equity shares representing 1% of the paid-up equity share capital of the respective financial year (which number shall be adjusted in lieu of adjustments/ re-organisation of the capital structure of the Company from time to time).

The aggregate of all such SARs under the SAR Scheme shall not exceed 50,00,000 Equity Shares of Rs. 10/- each of the Company (which number shall be adjusted in lieu of adjustments/ re-organisation of the capital structure of the Company from time to time).

10. Maximum quantum of benefits to be provided per employee under a scheme:

The maximum quantum of benefits that will be provided to every eligible Employee under the SAR Scheme shall be equivalent to the appreciation which shall be the difference between the market price of the share of a company on the date of exercise of SAR or the date of vesting of SAR, as the case may be, and the SAR(s) price.

11. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:

The SAR Scheme shall be implemented and administered through the Trust. The SAR Scheme shall be administered by the Committee which shall delegate the administrative powers to the Trust, as per the applicable laws for the effective administration of the SAR Scheme.

12. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:

The SAR Scheme will involve secondary acquisition of Equity Shares of the Company. The secondary acquisition and the subsequent dealing in the Equity Shares, if any, will be undertaken in compliance with the SBEB & SE, the Act, and other applicable laws.

13. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.:

The Company proposes to provide financial assistance to the Trust for undertaking secondary acquisition of Equity Shares of the Company for the purpose of implementation of the Scheme. The terms of such loans shall *inter alia* include the following:

Loan Amount and Term: The Committee shall decide on the amount (not exceeding 5% of the aggregate of the paid-up share capital and free reserves of the Company of the previous financial year), tenure, repayment and other terms of loan to be provided to the Trust for the purpose of implementation of the SAR Scheme subject to ceiling prescribed under the Act.

Tenure: The tenure of such loan shall be either the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier.

Utilisation: The loan will be utilised by the Trust for the objects of the Trust as mentioned in the Trust Deed i.e. for acquisition of shares of the Company through secondary acquisition for the purpose of implementation and administration of the SAR Scheme in accordance with the SBEB & SE and other applicable laws.

Repayment: The Trust shall repay the loan to the Company from the proceeds realised from exercise of SARs by the Grantees and the accruals of the Trust during the tenure of the Scheme or termination of the Scheme.

Interest on loan: The Company proposes to make an interest free provision of money, not exceeding 5% of the aggregate of the paid-up share capital and free reserves of the Company of the previous financial year, from time to time. However, the Committee reserves the rights to amend the terms and conditions including interest on loan extended to the Trust, subject to applicable law, including the applicable provisions of the Act and the rules framed thereunder. Such interest rates shall be as agreed between the Company through the Committee and the Trust on an annual basis for every financial year, provided that such interest rate shall be equal to the average interest rate incurred, if any, by the Company in the relevant previous financial year.

14. Maximum percentage of secondary acquisition that can be made by the trust for the purposes of the scheme and ceiling limits thereof:

- a) The Trust can undertake secondary acquisition of equity shares of the Company so that the total number of shares under secondary acquisition held by the Trust shall not exceed 5% of the

existing paid-up equity share capital of the Company of the respective previous financial year restricted to an upper limit of 50,00,000 Equity Shares of Rs. 10/- each of the Company.

- b) In case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any, additional SARs of the Company shall be granted to the Employees for the purpose of making a fair and reasonable adjustment to the SARs granted to them, the above ceiling in terms of number of equity shares shall be deemed to be increased/reduced in proportion to the changes in equity shares in the aforesaid corporate action(s).
- c) The secondary acquisition by the Trust in a financial year shall not exceed 2 (two) percent of the paid-up Equity capital as at the end of the respective previous financial year as prescribed under the provisions of the SBEB & SE, as amended from time to time.

15. A statement to the effect that the company shall conform to the accounting policies specified in regulation 15:

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

16. The method which the company shall use to value its options or SARs:

The Company shall comply with the requirements of IND – AS 102 /the Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the appropriate authorities from time to time, and shall use Fair value method. The fair value of SARs would be calculated as per the prescribed method under the applicable regulations.

17. Disclosure:

As the Company is adopting fair value method, presently there is no requirement for disclosure in Director’s Report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then 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.

18. Period of lock-in:

The Shares allotted/transferred upon exercise of SARs under the SAR Scheme are not subject to any lock in period.

19. Terms & conditions for buyback, if any, of specified securities covered under these regulations:

The Board of Directors has the power to determine the procedure for buy-back of SARs granted under the SAR Scheme, if it is to be undertaken at any time by the Company, and the applicable terms and conditions, in accordance with the applicable laws.

The disclosures as per Rule of 16 of Companies (Share Capital and Debentures) Rules, 2014, are as under:

1	<p>The class of Employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to share.</p>	<p><u>Eligibility:</u></p> <p>The following classes of employees are entitled to participate in the Scheme:</p> <ul style="list-style-type: none"> a. An Employee as designated by the Company, who is exclusively working in India or outside India; or b. A Director of the Company, whether a Whole Time Director or not, including a Non-executive Director who is not a promoter or member of the promoter group, but excluding an independent director; or c. an employee as defined in sub-clauses (a) or (b), of a Group Company including Subsidiary(ies) or its
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		<p>Associate Company(ies), in India or outside India, of the Company, but does not include—</p> <p>(i) an employee who is a promoter or a person belonging to the promoter group; or</p> <p>(ii) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.</p> <p>An employee shall continue to be an employee during the period of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company and any Subsidiary(ies) or Group Companies.</p>			
2	The Particulars of the Trustee or Employees in whose favour such Shares are to be registered.	<p>Shares will be registered/held by an Employee Welfare Trust namely 'Tilaknagar Employee Welfare Trust'.</p> <p>The Board of Directors have approved the appointment of Ms. Savitrii Dadhich, Ms. Niki Shingade, Mr. Bhavin Desai and Mr. Ravindra Jadhav as Trustees of the Trust.</p>			
3	Particulars of Trust.	<p>Shares will be registered/held by an Employee Welfare Trust namely 'Tilaknagar Employee Welfare Trust'.</p> <p>Address :Tilaknagar Industries Limited, Industrial Assurance Building, 3rd Floor Churchgate, Mumbai 400020</p> <p>The objects of the Trust shall be as follows:</p> <ol style="list-style-type: none"> Implement the Schemes as may be implemented by the Company from time to time pursuant to the SEBI Regulations / Applicable Laws and carry out all acts and deeds connected or incidental thereto. To ensure eligible employees receive the benefits, once they meet the required targets. Carry out any act or deed for the benefit of Employees under the Schemes. The Trust may do all other acts and things as are conducive or helpful to the advancement and fulfilment of the purpose of the Trust. 			
4	Name, Address, Occupation and Nationality of Trustees.	Name	Professional Address for communication	Occupation	Nationality
		Ms. Savitrii Dadhich	Tilaknagar Industries Limited, Industrial Assurance Building, 3 rd Floor, Churchgate, Mumbai 400020	Legal Advisor	Indian
		Ms. Niki Shingade		Service	Indian
		Mr. Bhavin Desai		Service	Indian
		Mr. Ravindra Jadhav		Service	Indian
5	Relationship with Trustees with Promoters, Directors or Key Managerial Personnel, if any.	Nil			
6	Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.	The Key Managerial Personnel and Directors are interested in SAR Scheme only to the extent of the SARs that may be granted to them, if any, under the SAR Scheme.			

7	The detailed particulars of benefit which will accrue to the Employees from the implementation of the Scheme	The Equity Shares of the Company will be acquired from secondary market through the Employee Benefit Trust pursuant to the provisions of SBEB & SE. In terms of the SAR Scheme, the incentive is linked to the appreciation in the market price of the equity shares of the Company over the tenure of the SAR Scheme.
8	The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised.	<p><u>Voting Rights</u></p> <p>a) The Trust would be considered as the registered Shareholder of the Company till the date of transfer of Equity Shares to the Employees.</p> <p>b) The Trustees shall not be entitled to vote in respect of any shares or securities held by the Trust.</p> <p>c) Once the equity shares are transferred to the Employees upon their Exercise, then the Employees will be treated as the Shareholder(s) of the Company and shall exercise the right to vote in respect of such equity shares.</p>

All material documents referred to in the Explanatory Statement shall be made available on request for electronic inspection from 10:00 a.m. to 5:00 p.m. (IST) on all working days till the last date of voting. Members seeking to inspect such documents can send an e-mail to investor@tilind.com

In terms of Section 67 of the Companies Act, 2013 and Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the approval of the Shareholders is sought by way of Special Resolution for the approval of Tilaknagar Stock Appreciation Rights Scheme 2024 ("SAR Scheme") and related matters thereof. Therefore, your Board of Directors recommend the Special resolutions as set out at item nos. 1 to 5 for the approval by the members.

None of the Directors, Key Managerial Personnel of the Company, and any relatives of such Directors, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the resolutions stated at Item Nos. 1 to 5 of this Notice, except to the extent of Equity Shares held by them in the Company or the SARs that may be granted to them, if eligible under the said SAR Scheme.

For **Tilaknagar Industries Limited**

Sd/-

Minuzeer Bamboat
Company Secretary & Compliance Officer

Place: Mumbai
Date: July 26, 2024

Registered Office:
P.O. Tilaknagar, Tal. Shirampur,
Dist. Ahmednagar, Maharashtra-413 720