



June 11, 2024

To, The General Manager, Department of Corporate Services, BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400001 Company Code No.: 543972	To, The Listing Department. National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051 Trading Symbol: AEROFLEX
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**Sub: Notice of 30<sup>th</sup> Annual General Meeting.**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Notice of 30<sup>th</sup> Annual General Meeting (“AGM”) of the Company scheduled to be held on Friday, July 05, 2024, at 11.00 a.m. through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) without physical presence of the Members at a common venue in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder and read with relevant MCA Circulars and SEBI Circulars.

We would further like to inform that the Company has fixed Friday, June 28, 2024, as the cut-off date for the purpose of remote e-voting, for ascertaining the names of the Shareholders holding shares in dematerialized form, who will be entitled to cast their votes electronically in respect of the businesses to be transacted at the AGM.

The remote e-voting shall begin on Tuesday, July 02, 2024 at 9.00 a.m. and end on Thursday, July 04, 2024 at 5.00 p.m.

Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, June 29, 2024 to Friday, July 05, 2024 (both days inclusive) for the purpose of the 30<sup>th</sup> Annual General Meeting.

You are requested to take the above information on your record.

Thanking you,

Yours faithfully,

**For AEROFLEX INDUSTRIES LIMITED**

MUSTAFA  
ABID  
KACHWALA

Digitally signed by MUSTAFA ABID KACHWALA  
DN: cn=MUSTAFA ABID KACHWALA  
pseudoym=EEDE23F8E1427A25AC308E  
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726f46a4701698a79996380502a  
pkiidCode=40003, o=Maharashtra,  
serialNumber=21041217036A8E47E8A2D8E  
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BD, cn=MUSTAFA ABID KACHWALA  
DIR: 20240611 14:25:05 +05'30'

**Mustafa Abid Kachwala**  
**Whole Time Director & CFO**  
**DIN: 03124453**

Encl.: As above

**Aeroflex Industries Limited**

**Business Office & Factory**

Plot No: 41 & 42/13, 14, 18, Village: Chal, Near Taloja M.I.D.C.,

Post: Ghot Camp, Tal: Panvel, Dist: Raigad,

Maharashtra - 410 208 India

Phone: +91 22 6146 7100 (100 Lines), Fax: +91 22 6146 7136

Email: info@aeroflexindia.com, Website: www.aeroflexindia.com

CIN: U24110MH1993PLC074576



Govt. of India Recognised Export House

**Aeroflex Industries Limited**

AGM Notice 2023-24



Commitment to Excellence

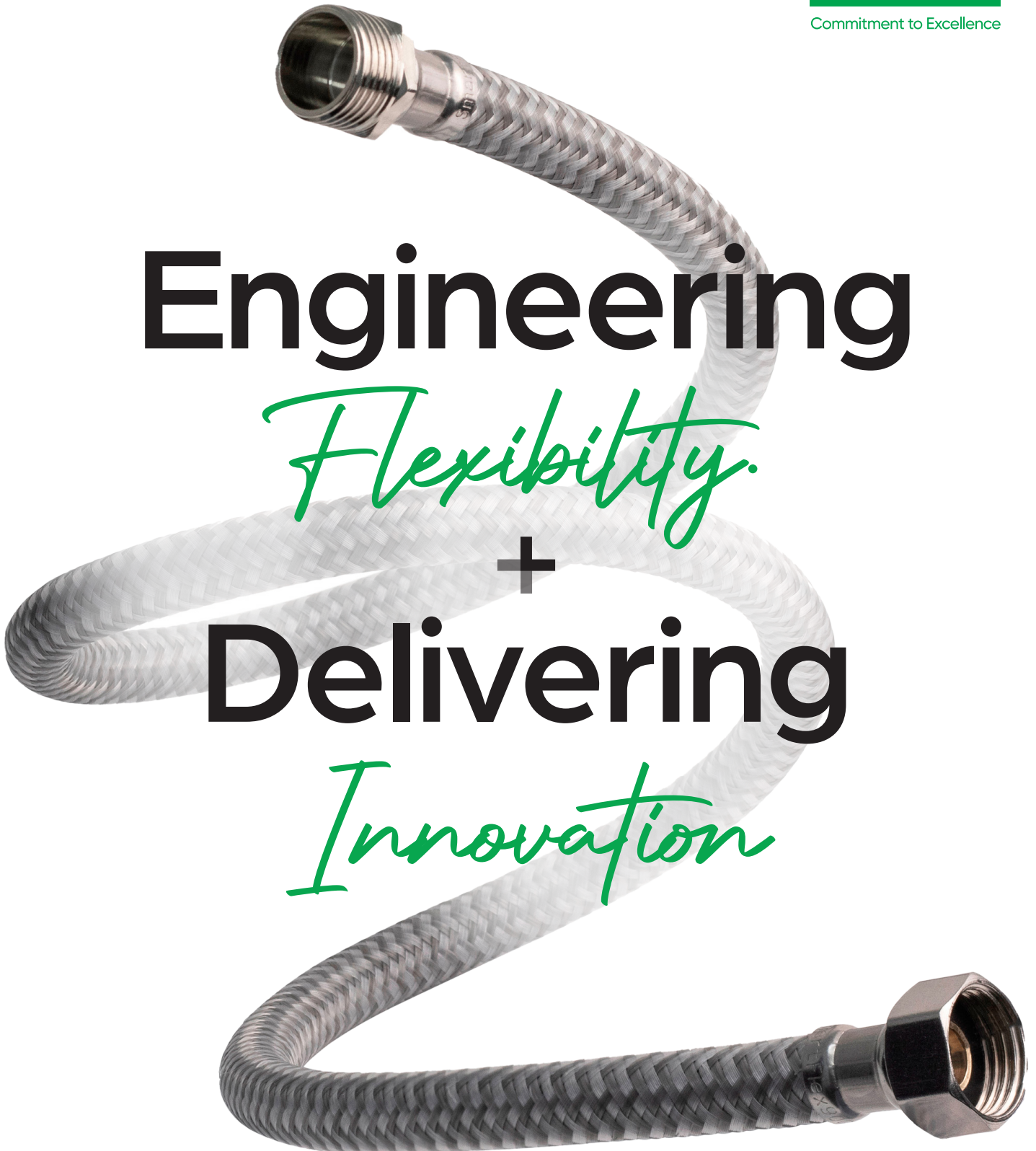
**Engineering**

*Flexibility.*

+

**Delivering**

*Innovation*



# Notice

**NOTICE** is hereby given that the Thirtieth Annual General Meeting ("30<sup>th</sup> AGM") of the shareholders of **AEROFLEX INDUSTRIES LIMITED** will be held on Friday, 05<sup>th</sup> day of July 2024 at 11:00 a.m. IST through Video Conferencing/Other Audio-Visual Means. The venue of the Meeting shall be deemed to be the Registered Office of the Company at Plot No. 41,42/13,42/14 & 42/18, Near Taloja MIDC, Village Chal, Behind IGPL, Panvel, Navi Mumbai, Raigarh-410208, to transact the following business:

## ORDINARY BUSINESS

**1) To receive, consider and adopt (a) the Standalone Audited Financial Statement of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and Auditors' thereon; and (b) the Consolidated Audited Financial Statement of the Company for the financial year ended March 31, 2024 together with the Auditors' Report thereon and in this regard, if thought fit, pass the following resolutions as an ORDINARY RESOLUTIONS:**

- (a) **"RESOLVED THAT** the Standalone Audited Financial Statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors' thereon be and are hereby received, considered and adopted".
- (b) **"RESOLVED THAT** the Consolidated Audited Financial Statement of the Company for the financial year ended March 31, 2024 together with the Auditors' Report thereon be and are hereby received, considered and adopted".

**2) To declare final dividend on Equity Shares for the financial year ended March 31, 2024 and in this regard, if thought fit, pass the following resolution as an ORDINARY RESOLUTION:**

**"RESOLVED THAT** the final dividend at the rate of ₹ 0.25/- (Twenty five paise) i.e., 12.5 % per equity share of ₹ 2/- (Rupees two only) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2024 and the same be paid out of the profits of the Company".

**3) To appoint a director in place of Mr. Mustafa Abid Kachwala (DIN: 03124453), who retires by rotation and being eligible, offered himself for re-appointment as a Director and in this regard, if thought fit, pass the following resolution as an ORDINARY RESOLUTION:**

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any amendment(s) thereto or re-enactment(s) thereof, for the time being in force, the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Mustafa Abid Kachwala (DIN: 03124453), who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

## SPECIAL BUSINESS

**4) To re-appoint Mr. Ramesh Chandra Soni (DIN: 00049497) as an Independent Director of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time-to-time, Mr. Ramesh Chandra Soni (DIN: 00049497), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from October 15, 2019 upto October 14, 2024 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from October 15, 2024 upto October 14, 2029 (both days inclusive), not liable to retire by rotation and on such terms as stated in the explanatory statement hereto.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, any of Member of the Board of the Company and/or the Company Secretary & Compliance Officer be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as it may deem fit and to settle any question, difficulty or doubt that may arise in regard to the appointment and further to do all such acts, deeds matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient, as it may deem fit".

### 5) Approval of Aeroflex Industries Limited Employee Stock Options Plan 2024 ("ESOP 2024") for employees of the Company

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

**"RESOLVED THAT** in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 read with rules made thereunder (the "Act") and the Securities and Exchange Board of India (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 (the "SEBI SBEB Regulations") and in accordance with circulars/guidelines issued by Securities and Exchange Board of India ("SEBI") from time-to-time, the Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and other applicable regulations, rules and circulars/guidelines in force, from time-to-time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the "Compensation Committee", which term shall include Nomination and Remuneration Committee constituted by the Board or any other Committee which the Board may constitute to act as the "Compensation Committee" under the SEBI SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to grant, vest and allot, from time-to-time and in one or more tranches, Options under the Employee Stock Options Plan 2024 ("ESOP 2024"), the salient features of which are set out in the Statement annexed to this Notice, to the benefit of such persons as determined by the Compensation Committee under SEBI SBEB Regulations (hereinafter referred to as "Eligible Employees"), to subscribe to such number of equity shares of the Company but not exceeding 12,93,204 equity shares of the face value of ₹ 2/- (Rupees Two only) each at such price or prices, and on such terms and conditions, as may be determined by the Compensation Committee in accordance with the provisions of ESOP 2024 and in due compliance with the SEBI SBEB Regulations and other applicable laws, rules and regulations.

**RESOLVED FURTHER THAT** the benefits of ESOP 2024 as mentioned above be also extended to the eligible Employee(s) of any existing and future subsidiary Company(ies) whether in or outside India, or holding Company of the Company or group company or its associate company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

**RESOLVED FURTHER THAT** outstanding Options granted under ESOP 2024 before any issue of bonus shares or stock splits or consolidation of shares shall be suitably adjusted

for the number as well as the exercise price as applicable and such outstanding Options may be further adjusted at the discretion of the Board for any corporate action(s).

**RESOLVED FURTHER THAT** the equity shares of the Company may be allotted in accordance with the terms and conditions of ESOP 2024 directly to the eligible Employees in a manner permissible under the SEBI SBEB Regulations and the equity shares so issued and allotted under ESOP 2024 shall rank pari passu with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** approval and consent of the members be and is hereby accorded respectively to the **Employee Stock Options Plan 2024** (hereinafter referred to as the "**ESOP 2024**" / "**Scheme**" / "**Plan**") for Grant of options to eligible Employees, during any one year, not exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of option in one or more tranches, on such terms and in such manner in the ESOP 2024.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time-to-time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2024.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take necessary steps for listing of the equity shares allotted under the ESOP 2024 on the Stock Exchange, where the equity shares of the Company are listed as per the provisions of the Listing Regulations with the concerned Stock Exchange and other applicable laws, guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board in recommendation of the Nomination, Remuneration and Compensation Committee be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and further to execute all such deeds, documents, writings and to give such directions and/or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of ESOP 2024 and to take all such steps and do all acts as may be incidental or ancillary thereto".

### 6) Aeroflex Industries Limited Employee Stock Options Plan 2024 (ESOP 2024) for the Employees of existing and future Subsidiary Company/ies

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

**"RESOLVED THAT** pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the Rules made thereunder, the Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 issued by the Securities and Exchange Board of India and/or any amendments thereof (collectively referred to as "**SEBI SBEB Regulations**"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)



Regulations, 2015 (the “SEBI Listing Regulations”) and in accordance with circulars/guidelines issued by SEBI from time-to-time, the Articles of Association of the Company and other applicable regulations, rules and circulars/guidelines in force, from time-to-time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee constituted by the Board or any other Committee which the Board may constitute to act as the “Compensation Committee” under the SEBI SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to extend the benefits of the **Employee Stock Options Plan 2024 (“ESOP 2024”)**, referred to in the Special Resolution under Item No. [5] of this Notice, also to the employees of present and future Subsidiary Company/(ies), (as defined in the **Employee Stock Options Plan 2024**) of the Company who is a permanent employee, working in India or out of India; or a director of the Company, whether a Whole-Time Director or not; or an employee of a subsidiary, in India or out of India, be granted to the Employees and Directors of the Company as determined by the **Compensation Committee** under SEBI SBEB Regulations (hereinafter referred to as “**Eligible Employees**”) but excludes; (a) an employee who is a promoter or belongs to the promoter group or a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity Shares of the Company (b) an independent director, to the intent that the number of Securities offered under ESOP 2024 to the Eligible Employees of the existing and future subsidiary Company/(ies) shall be subsumed in the aggregate limit of 12,93,204 equity shares of the face value of ₹ 2/- (Rupees Two only) each set out in the Special Resolution under Item No. [5] of this Notice.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to devise, formulate, evolve, decide upon and bring into effect ESOP 2024 as per the terms approved

in this resolution read with the Statement annexed to this Notice and at any time to modify, alter or amend the said terms or suspend, withdraw or terminate ESOP 2024, subject to compliance with the SEBI SBEB Regulations and other applicable laws, rules and regulations, as may be prevailing at that time.

**RESOLVED FURTHER THAT** the Securities may be allotted in accordance with ESOP 2024 directly to the Eligible Employees, to be set up in a manner permissible under the SEBI SBEB Regulations.

**RESOLVED FURTHER THAT** the equity shares so issued and allotted under ESOP 2024 shall rank pari passu with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take necessary steps for listing of the Securities allotted under ESOP 2024 on the Stock Exchange(s), where the equity shares of the Company are listed as per the provisions of the Listing Regulations and other applicable laws, rules and regulations.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time-to-time under SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOP 2024.

**RESOLVED FURTHER THAT** the Board in recommendation of the Nomination, Remuneration and Compensation Committee be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and/or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of ESOP 2024 and to take all such steps and do all acts as may be incidental or ancillary thereto”.

For and on behalf of the Board of Directors of  
**AEROFLEX INDUSTRIES LIMITED**

**Place:** Mumbai  
**Dated:** June 03, 2024

**Asad Daud**  
Managing Director  
DIN: 02491539

**NOTES:**

- 1) In view of the outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its 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. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021 and General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 (which has clarified that, the Companies whose AGMs are due in the year 2023 or 2024, can conduct their AGMs on or before September 30, 2024 by means of Video Conference (VC) or Other Audio-Visual Means (OAVM) issued by Ministry of Corporate Affairs (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and 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 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 (collectively "SEBI Circulars"), have permitted companies to conduct AGM through VC or Other Audio Visual Means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 30<sup>th</sup> AGM of the Company is being convened and conducted through VC.
- 2) 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), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021 and September 25, 2023 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 entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.
- 3) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 4) As per the provisions under the MCA Circulars, Members attending the 30<sup>th</sup> AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 5) The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-Voting and e-Voting during the AGM. The process and instructions for remote e-Voting are provided in the subsequent pages. Such remote e-Voting facility is in addition to voting that will take place at the 30<sup>th</sup> AGM being held through VC.
- 6) Members joining the meeting through VC, who have not already cast their vote by means of remote e-Voting, shall be able to exercise their right to vote through e-Voting at the AGM. The Members who have cast their vote by remote e-Voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
- 7) The Board of Directors has appointed Dr. S. K. Jain (FCS: 1473), Proprietor of S. K. Jain & Co. Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the AGM and remote e-Voting process in a fair and transparent manner.
- 8) The Results shall be declared within two working days of conclusion of the Annual General Meeting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.aeroflexindia.com](http://www.aeroflexindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com). The same shall also be communicated to BSE and National Stock Exchange of India Limited, where the shares of the Company are listed.
- 9) As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 30<sup>th</sup> AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 30<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 10) Corporate Members are required to access the link [www.evotingindia.com](http://www.evotingindia.com) and upload a certified copy of the Board resolution authorizing their representative to vote on their behalf. Institutional investors are encouraged to attend and vote at the meeting through VC.

- 11)** In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 12)** The Register of Members and Share Transfer books will remain closed from Saturday, June 29, 2024 to Friday, July 05, 2024 (both days inclusive).
- 13)** In line with the MCA and SEBI Circulars, the notice of the 30<sup>th</sup> AGM along with the Annual Report 2023-24 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2023-24 will also be available on the Company's website at [www.aeroflexindia.com](http://www.aeroflexindia.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
- 14)** Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) by writing to the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd., C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083, Maharashtra.
- The following documents will be available for inspection by the Members electronically during the 30<sup>th</sup> AGM.
- Members seeking to inspect such documents can send an email to [corporate@aeroflexindia.com](mailto:corporate@aeroflexindia.com)
- Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013.
  - All such documents referred to in the accompanying Notice and the Explanatory Statement.
- 15)** Details of the Directors seeking appointment/re-appointment at the 30<sup>th</sup> AGM are provided in Annexure A of this Notice. The Company has received the requisite consents/declarations for the appointment/re-appointment under the Companies Act, 2013 and the rules made thereunder.
- 16)** Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant(s) and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participant(s). The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such dematerialized shares.
- 17)** Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant(s), as the case may be:
- the change in the residential status on return to India for permanent settlement; and
  - the particulars of the NRE account with a Bank in India, if not furnished earlier
- 18)** Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Company Secretary & Compliance Officer at the Company's registered office or the Company's Registrar and Share Transfer Agent (Link Intime India Pvt. Ltd.) for revalidation and encashment before the due dates. The details of such unclaimed dividends are available on the Company's website at [www.aeroflexindia.com](http://www.aeroflexindia.com). Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF. In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website <http://www.iepf.gov.in/> and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
- 19)** In case of any queries regarding the Annual Report, the Members may write to [corporate@aeroflexindia.com](mailto:corporate@aeroflexindia.com) to receive an email response.
- 20)** As the 30<sup>th</sup> AGM is being held through VC, the route map is not annexed to this Notice.
- 21)** The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed.
- 22)** The Company has fixed Friday, June 28, 2024 as the 'Record Date' for determining entitlement of members to dividend for the financial year ended March 31, 2024.
- 23)** If the dividend, as recommended by the Board of Directors, is declared at the 30<sup>th</sup> Annual General Meeting, payment of such dividend will be paid/

credited on or before August 03, 2024, within 30 days from the date of declaration to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, June 28, 2024.

## 24) THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER

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

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

- (i) The voting period begins on Tuesday, July 02, 2024 at 9:00 a.m. and ends on Thursday, July 04, 2024 at 5:00 p.m. During this period shareholders' of the Company, holding shares in dematerialized form, as on the cut-off date of June 28, 2024 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote

e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

- (i) 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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1 Users of who have opted for CDSL's 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 URLs for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.
	2 After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-Voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer/Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.
	3 If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>
	4 Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> . The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below: (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2 If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3 Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	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's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

**i. Login method for e-Voting and joining virtual meetings for shareholders other than individual holding in Demat form.**

1. The shareholders should Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
2. Click on "shareholders" module.
3. Now Enter your applicable User ID, as under:
  - a. For CDSL: 16 digits beneficiary ID
4. Next enter the Image Verification code as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
7. Shareholders holding shares in Physical Form should enter Folio No. registered with the Company.

6. If you are a first time user follow the steps given below:

<b>PAN</b>	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the first two sequence number sent by Company/RTA or Contact Company/RTA.
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (5)

7. After entering these details appropriately, click on "SUBMIT" tab.
  8. Shareholders 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 remote e-voting through CDSL platform. It is strongly recommended that members should not share their password with any other person and take utmost care to keep their password confidential.
  9. Click on the EVSN of "AEROFLEX INDUSTRIES LIMITED" on which you choose to vote.
  10. 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 respective Resolution and option NO implies that you dissent to the Resolution.
  11. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  12. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wishes to confirm your vote, click on "OK", else to change the vote, click on "CANCEL" and accordingly modify his vote.
  13. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
  14. You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.
  15. If the demat account holder has forgotten the changed password, then Enter the User ID and image verification code and click on Forgot Password & enter the details as prompted by the system.
  16. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification
- (ii) Additional Facility for Non-Individual Shareholders and Custodians – Remote Voting:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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 scrutinizer 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 authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [corporate@aeroflexindia.com](mailto:corporate@aeroflexindia.com), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER**

- (i) The procedure for attending meeting & e-Voting on the day of the AGM are same as the instructions mentioned above for Remote e-Voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.

- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **Eight days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **Eight days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). These queries will be replied to by the Company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (x) If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE**

- A **For Demat shareholders:** Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, Client Master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA e-mail ID.

- B **For Individual Demat shareholders:** Please update your e-mail ID & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N.M. Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

### **EXPLANATORY STATEMENT UNDER SECTION 102(2) OF THE COMPANIES ACT, 2013**

#### **Item No. 4**

Mr. Ramesh Chandra Soni (DIN: 00049497) is currently an Independent Director of the Company, Chairperson of the Audit and Nomination and Remuneration Committee and Member of the Corporate Social Responsibility Committee.

Mr. Ramesh Chandra Soni was appointed as an Independent Director of the Company by the Members at their General Meeting of the Company held on October 23, 2019 for a period of 5 (five) consecutive years commencing from October 15, 2019 upto October 14, 2024 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on June 03, 2024, proposed the re-appointment of Mr. Ramesh Chandra Soni as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from October 15, 2024 upto October 14, 2029 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of Special Resolution.

Mr. Ramesh Chandra Soni holds a bachelor's degree in commerce from University of Udaipur. He is also a fellow member of Institute of Chartered Accountants of India. He is a practicing chartered accountant and has experience of over 36 years in the fields on accounts, finance, taxation and banking.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Ramesh Chandra Soni's qualifications and the rich experience of over 36 years in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Ramesh Chandra Soni continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an

Independent Director of the Company and his continued association would be of immense benefit to the Company.

The Company has received a declaration from Mr. Ramesh Chandra Soni confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Ramesh Chandra Soni has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Ramesh Chandra Soni has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mr. Ramesh Chandra Soni has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Ramesh Chandra Soni has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Mr. Ramesh Chandra Soni fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Mr. Ramesh Chandra Soni as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board recommends the Special Resolution set out in Item No. 4 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Ramesh Chandra Soni, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

## Item No.5 & 6

In today's competitive world, the employees of a Company are its most important resource and asset. Your Company fully recognizes the same and therefore, wants its employees to participate and share the fruits of growth and prosperity along with the Company.

With a view to encourage value creation and value sharing with the employees, the Board of Directors of the Company (hereinafter referred to as the "**Compensation Committee**", which term shall include the Nomination and Remuneration Committee constituted by the Board or any other Committee which the Board may constitute to act as the Compensation Committee under the SEBI SBEB Regulations or their delegated authority) has proposed **Aeroflex Industries Limited Employee Stock Options Plan 2024 ("ESOP 2024"/"Scheme"/"Plan")**. As members are aware, employee stock option schemes are considered as an effective tool to attract and retain the best talent and also serves to attract, incentivise and motivate professionals and reward exceptional performance.

The Members are informed that the Company intends to offer not more than 12,93,204 equity shares of the under the ESOP 2024 by way of grant of options which will be granted directly by the Company. The ESOP 2024 will be administered by the Compensation Committee by way of resolution passed by the Board on June 03, 2024.

The ESOP 2024 is formulated in accordance with the provisions of Companies Act, 2013 as amended and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB Regulations**") as amended from time-to-time. The Salient Features of the Plan are as follows:

### 1) Brief description of the ESOP 2024:

ESOP 2024 is intended to reward the Eligible Employees (as described under clause 3 herein below), for their performance and past association as well as to motivate them to contribute to the growth and profitability of the Company. One of the intents behind the use of this Plan is to retain talent in the organization as it views options as instruments that would enable the Eligible Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

### 2) Total number of Options to be granted:

The Options to be granted to Eligible Employees under ESOP 2024, in one or more tranches from time-to-time shall not exceed 12,93,204 (Twelve Lakh, Ninety-Three Thousand, Two Hundred and Four Only), which in aggregate shall be exercisable into not more than 12,93,204 (Twelve Lakhs Ninety Three Thousand, Two Hundred and Four Only) equity shares of face value of ₹ 2/- each fully paid up, with each such Option conferring a right upon the Eligible Employees to apply for 01 (One) Equity Share of the Company in accordance with the terms and conditions as may be decided under the ESOP 2024.



This ceiling will be adjusted for any future bonus issue of shares or stock splits or consolidation of shares and also may further be adjusted at the discretion of the Compensation Committee for any corporate action(s).

If an Employee Stock Option expires or becomes un-exercisable due to any reason, it shall become available for future Grants, subject to compliance with all Applicable Laws

### **3) Identification of classes of employees entitled to participate in the Plan:**

Only Employees of the Company and the Group are eligible for grant of Employee Stock Options under ESOP 2024. The specific employees to whom the options would be granted and their eligibility criteria would be determined by the Committee of the Board.

The ESOP 2024 shall be applicable to the Company and the Group (as defined) and Options under the ESOP 2024 may be granted to the Employees and Directors of the Company and the Group as determined by the Committee of the in its sole discretion.

Following classes of employees are entitled to participate in **ESOP 2024**:

- (i) a permanent 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, or of a holding Company of the Company, 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.

Only Eligible Employees are entitled for grant of Options under ESOP 2024. The specific employees to whom the options would be granted and their eligibility criteria would be determined by the Compensation Committee.

The Plan shall be applicable to the Company, its present and future Subsidiary Company(ies) and Options under the ESOP 2024 shall be granted to the Eligible Employees of the Company and its Subsidiary Company/(ies), Associate Company/(ies), group company and its Holding Company as determined by the Compensation Committee at its sole discretion.

Appraisal process for determining the eligibility of the employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Compensation Committee at its sole discretion, from time-to-time.

### **4) Requirements of vesting and period of vesting:**

- a) Options granted under ESOP 2024 would vest not earlier than 1 (One) year from the date of grant of such Options i.e. one year from the date on which the Eligible Employee duly executes and delivers the Acceptance Form.

Provided that in the event of death or permanent incapacity of an employee, the vesting period of one year shall not be applicable and in such instances, the options shall vest in the following manner:

- (i) In the event of death of employee while in employment, all options granted 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 Option Grantee;
  - (ii) In the event the employee suffers a permanent incapacity while in employment, all options granted to him/her as on the date of permanent incapacitation, shall vest in him/her on that day.
- b) Vesting of Option would be subject to continued employment with the Company and its Subsidiary Company(ies) as may be applicable and thus the options would vest on passage of time.
  - c) As a prerequisite for valid Vesting, the Option Grantee shall not be subject to any kind of disciplinary proceedings of any nature whatsoever pending against him on such date of vesting. In case of any disciplinary proceedings against any Option Grantee, the Committee shall have the discretion to keep the relevant vesting in abeyance until disposal of proceedings and such Vesting shall be determined accordingly. In addition to this, the Board may, on the recommendation of the Committee, also specify certain performance parameters subject to which the options would vest.
  - d) The Vesting schedule and specific Vesting Conditions subject to which Vesting would take place shall be specified in the letter issued to the Option Grantee at the time of Grant, which may inter alia, include performance and time-based conditions.

### **5) Maximum period within which the options shall be vested:**

All the options granted under the ESOP 2024 shall vest on such dates and such proportions as maybe determined by the Compensation Committee. However, such options would not vest later than 5 (Five) years from the date of grant of option.

### **6) Exercise Price:**

The exercise price shall be determined by the Board on the recommendation of the Nomination, Remuneration and Compensation Committee. Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or in such other manner as the Board may decide.

**7) Exercise Period/Offer Period and process of exercise/acceptance of offer:**

Exercise Period under the ESOP 2024 means “the time period commencing from the date of vesting within which the employee should exercise the vested option. This shall be provided for in the grant letter.” Accordingly, vested options can be exercised within the exercise period as determined by the Compensation Committee and set out in the grant letter.

**Vested options are to be exercised as follows:**

Sr. No	Particulars	Exercise of options	Lapse of options
1	During employment	All the Vested Options can be exercised within a period of 5 years from the date of vesting of options.	If the Vested options are not exercised within a period of 5 years from the date of vesting of options.
2	Resignation/ Termination (other than due to misconduct or breach of Company policies/ terms of employment)	All the Vested Options as on the date of Resignation/Termination shall be exercisable by the employee by the end of the day of his last working day with the Company.	All the Vested Options as on the date of Resignation/Termination, which are not exercised by the employee by end of his last working day with the Company shall lapse.  All option granted but not vested as on the date of Resignation/Termination shall lapse.
3	Termination due to misconduct or due to breach of Company policies of terms of employment.	All the Vested Options on the date of such termination will lapse and cannot be exercised.	All the Vested Options and unvested options on the date of such termination shall lapse.
4	Retirement/early retirement approved by the Company	All Vested Options can be exercised by the Option Grantee immediately after, but in no event later than the last working day of his employment or on any such day as may be decided by the Committee in its sole discretion.	All Vested Options not exercised by the Option Grantee immediately after, but in no event later than the last working day of his employment or on/before any such day as may be decided by the Committee in its sole discretion shall lapse.  All Unvested Options shall lapse as on the date of such retirement, unless otherwise determined by the Board on the recommendation of the Committee whose determination will be final and binding.
5	Death	All Options granted to the employee until his/her death shall vest with effect from the date of his/her death, in the legal heirs or nominee of the Option Grantee.  All Options vested as on the death of the employee shall be Exercised by the option holder's nominee or legal heirs immediately after, but in no event later than one year from the date of death of the Option Grantee.	Options, whether vested or unvested, if not exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than one year from the Death of the Option Grantee shall lapse. Further the Board shall, on the recommendation of Committee, decide whether the Vested & unvested Options can be exercised or not, after the one year period, from the date of Death of Grantee holder or listing whichever is later and the decision of the Board shall be final.
6	Termination due to permanent disability while in employment	In case the employee suffers a permanent incapacity while in employment, all options granted to him as on date of permanent incapacitation shall vest in him on that day.  All Options Vested, may be Exercised by the Option Grantee on the day of his incapacitation, but in no event later than six months from the date of such permanent disability.	Options, whether vested or unvested, if not exercised by the Option Grantee immediately after, but in no event later than six months from the date of such disability shall lapse.  Further the Board shall, on the recommendation of the Committee, decide whether the Vested & unvested Options can be exercised or not after six months from the date of such disability.
7	Abandonment of ESOP 2024	All Vested and unvested options cannot be exercised.	All Vested and unvested options shall lapse.

**Vested options are to be exercised as follows:** (Contd.)

Sr. No	Particulars	Exercise of options	Lapse of options
8	Separation due to reasons other than those mentioned above.	the Board shall on the recommendation of the Committee will decide whether the Vested Options on the date of separation can be exercised by the employee or not, and such decision shall be final.	All unvested options shall lapse.

The options shall be deemed to have been exercised for shares only when the Company receives: (i) a written notice of exercise from the option holder, in such form as may be prescribed; and (ii) full payment of exercise price and amount payable as tax under the relevant tax laws, in force at the relevant time, including payment of the stamp duty applicable on registration and issue of shares.

**8) Appraisal process for determining the eligibility of employees under the Plan:**

Appraisal process for determining the eligibility of the Employees will be based on designation, period of service, performance-linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time-to-time.

**9) Maximum number of options to be issued per employee and in aggregate:**

The maximum number of Options that may be granted per Eligible Employees and in aggregate shall be decided by the Compensation Committee depending upon the designation and the appraisal/assessment process. However, the maximum number of Options that may be granted per Eligible Employee under ESOP 2024, in any financial year, shall not be more than 1% of the issued and paid-up equity share capital (excluding outstanding warrants and conversions) of the Company at the time of the grant. The aggregate number of options to be offered shall not exceed 1% (one percent) of the paid up equity capital of the Company (i.e., not more than 12,93,204 number of equity shares of face value of ₹ 2/- each), with each such option conferring a right upon the employee to apply for one equity share of the Company. The number of options shall stand adjusted for any expansion or reduction of capital of the Company where such expansion or reduction has taken place on account of corporate action(s) including issue of bonus shares, rights issue, split, buy-back or scheme of arrangement.

**10) Maximum quantum of benefits to be provided per employee under the scheme:**

The maximum quantum of benefits underlying the Options granted to an Eligible Employee shall be one equity share for every Option granted to the Option Grantee.

**11) Whether the scheme is to be implemented and administered directly by the Company or through a trust:**

The scheme is implemented and administered directly by the Company.

**12) Whether the scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:**

The ESOP 2024 would only involve the issue of new equity shares by the Company.

**13) The amount of loan to be provided for implementation of the scheme by the Company to the trust, its tenure, utilisation, repayment terms, etc:**

The Company will not provide any loan for the implementation of ESOP 2024 to any trust.

**14) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme:**

Not Applicable.

**15) A statement to the effect that the Company shall conform to the accounting policies specified in Regulation 15 of SEBI SBEB Regulations:**

The Company shall follow the relevant Indian Accounting Standards (Ind AS), prescribed from time-to-time, including the disclosure requirements as prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share based payments' issued in that regard from time-to-time.

**16) Method of option valuation:**

To calculate the employee compensation cost, the Company shall use the fair value method for valuation of the Options granted as per prescribed under Ind-AS 102 or under any relevant accounting standard as notified by appropriate authorities from time to time.

**17) Period of Lock in:**

The Shares allotted pursuant to the Exercise of Vested Options shall not be subject to any lock-in period from the date of allotment of such Shares under ESOP 2024.

Provided that the Shares allotted on such Exercise cannot be sold for such further period or intermittently as required under the terms of Code of Conduct for Prevention of Insider Trading of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

**18) Terms & Conditions for Buyback, if any, of specified securities covered under these regulations:**

The ESOP 2024 does not provide for any buy-back of equity shares issued pursuant to exercise of options by Eligible Employees.

Regulation 6(1) of the SEBI SBEB Regulations requires that every employee stock option scheme shall be approved by the members of the Company by passing a special resolution in a

general meeting. Further, as ESOP 2024 will entail further issue of shares, consent of the members is required by way of a special resolution pursuant to Section 62(1)(b) of the Companies Act, 2013. Accordingly, the Special Resolution set out at Item No. [5] of this Notice is proposed for approval by members.

As per Regulation 6(3) of the SEBI SBEB Regulations, a separate special resolution is required to be passed if the benefits of an employee stock option scheme are to be extended to the employees of present and future Subsidiary companies (as defined under the Aeroflex Industries Limited Employee Stock Options Plan 2024) of the Company. Accordingly, the Special Resolution set out at Item No. [6] of this Notice is proposed for approval by members.

The Options to be granted under ESOP 2024 shall not be treated as an offer or invitation made to public for subscription of securities of the Company. The ESOP 2024 conforms to the SEBI SBEB Regulations.

Directors/Key Managerial Personnel of the Company/their relatives who may be granted Options under ESOP 2024 may be deemed to be concerned or interested in the Special Resolutions at Item Nos. [5] and [6] of this Notice.

Save as aforesaid, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolutions.

The Board recommends the Special Resolutions set out at Item Nos. [5] and [6] of this Notice for approval by the members.



# Annexure-A

**Profile of Director(s) recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard 2 Issued By ICSI is Furnished Below:**

<b>Name of Directors</b>	<b>Mr. Ramesh Chandra Soni</b>	<b>Mr. Mustafa Abid Kachwala</b>
DIN	00049497	03124453
Date of Birth	October 19, 1959	February 23, 1968
Age	64 years	56 years
Experience	36 years	38 years
Nationality	Indian	Indian
Date of Appointment on Board	October 15, 2019	May 07, 2010
Qualifications	Bachelor's degree in Commerce from University of Udaipur. A fellow member of Institute of Chartered Accountants of India.	Bachelor's degree in commerce from Mumbai University.
Expertise	He is a practicing chartered accountant and has experience of over 36 years in the fields on accounts, finance, taxation and banking.	He has worked with Akbarallys Pharma Vet Division in Mumbai from 1986 to 2004 before joining Aeroflex Industries Limited. He has been associated with the Company since 2010. He currently looks after the financial affairs of the Company.
Relationship with Other Directors/ KMP of the Company	Not related with any director of the Company.	Not related with any director of the Company.
Terms and Conditions of appointment	Re-appointment as an Independent Director for a period of 5 years commencing from October 15, 2024 to October 14, 2029 (both days inclusive) [Refer Item No. 4 of the Notice and Explanatory Statement].	In terms of Section 152(6) of the Companies Act, 2013, Mr. Mustafa Abid Kachwala, is liable to retire by rotation.
Remuneration to be paid	Sitting fees for attending Board Meetings i.e ₹ 25,000/- per board meeting.	As per existing approved terms of appointment.
Directorship held in other Public Companies (excluding foreign, private and Section 8 Company)	1. Sah polymers Limited 2. SAT Industries Limited	NIL
Committee Membership/ Chairmanship in other Companies	*Chairmanship: 4 Committees	NIL
Shareholding as on March 31, 2024	NIL	500 equity shares
No. of Board Meeting attended during the Financial Year 2023-24	7 meetings	7 meetings

\* Membership/Chairmanship of only the Audit Committee and Stakeholders' Relationship Committee of all public companies/ subsidiary of public companies, as provided under Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 have been considered.