

## VISHAL MEGA MART LIMITED

(Formerly known as Vishal Mega Mart Private Limited)

CIN: L51909HR2018PLC073282

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### POSTAL BALLOT NOTICE

[Pursuant to Section 110 read with 108 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014]

#### To the Members of the Company,

**NOTICE** is hereby given pursuant to the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“**the Rules**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with the General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 22/2020 dated 15<sup>th</sup> June, 2020, General Circular No. 33/2020 dated 28<sup>th</sup> September, 2020, General Circular No. 39/2020 dated 31<sup>st</sup> December, 2020, General Circular No. 10/2021 dated 23<sup>rd</sup> June, 2021, General Circular No. 20/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022, General Circular No. 11/2022 dated 28<sup>th</sup> December, 2022 and General Circular No. 09/2024 dated 19<sup>th</sup> September 2024 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as “**MCA Circulars**”), and the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (“**SS-2**”), the items of special business as set out in this Notice below are proposed for consideration by the Members of Vishal Mega Mart Limited (“Formerly known as Vishal Mega Mart Private Limited”) (“**the Company**”), by way of Postal Ballot, only through remote e-voting process.

The Notice of Postal Ballot dated January 20, 2025 (“Postal Ballot Notice”) is being sent only through electronic mode to those members whose name(s) appear in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Friday, January 10, 2025 and who have registered their e-mail address(es) with the Company / Registrar / Depositories, as permitted by the MCA Circulars. Accordingly, a physical copy of the Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope is not being sent to the Members and no physical ballot forms will be accepted. The process for registration of email address by the members who have not yet registered their email address or wish to update their email address is provided in this Postal Ballot Notice.

An explanatory statement pursuant to Section 102 and Section 110 and other applicable provisions, if any, of the Act, setting out the material facts concerning the said resolutions and the reasons thereof is annexed hereto for your consideration.

The Postal Ballot Notice is also available on the website of the Company at <https://www.aboutvishal.com/>.

The Board of Directors of the Company have appointed Mr. Shashikant Tiwari, Partner and failing him Mr. Lakhan Gupta, Partner, Chandrasekaran Associates, Company Secretaries, as the Scrutinizer, for conducting the Postal Ballot remote e-voting process in a fair and transparent manner.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Section 108 and Section 110 of the Act read with the Rules, the Company has engaged the services of KFin Technologies Limited (“KFin”), for the purpose of providing remote e-voting facility to all its Members. The remote e-voting period shall commence on Tuesday, January 21, 2025 from 9.00 a.m. (IST) and ends on Wednesday, February 19, 2025 at 5.00 p.m. (IST). Members, whose name(s) appear in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Friday, January 10, 2025 are requested to carefully read the instructions for remote e-voting indicated in this Postal Ballot Notice and accord

their assent (FOR) or dissent (AGAINST) on the proposed resolutions only through remote e-voting facility provided by KFin not later than 5:00 P.M. (IST) on Wednesday, February 19, 2025. The remote e-voting module shall be disabled by KFin for voting thereafter. The voting rights of members shall be in proportion to their shares in the paid-up share capital of the Company as on the cut-off date i.e. Friday, January 10, 2025.

After completion of scrutiny of the votes, the Scrutinizer will submit his report to the Chairperson of the Company or Company Secretary and Compliance Officer or any other person authorised by the Chairperson, within two working days from the last day of remote e-voting. The Company shall simultaneously forward the results to 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), where the shares of the Company are listed. The said results along with the Scrutinizer's Report shall be placed on the Company's website <https://aboutvishal.com/> and on the website of KFin i.e. <https://evoting.kfintech.com/>. The resolutions, if approved, shall be deemed to have been passed on the last date of remote e-voting i.e. Wednesday, February 19, 2025.

### **SPECIAL BUSINESS:**

#### **1. Amendments and ratification of the Vishal Mega Mart Employees Stock Options Plan 2019**

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

**“RESOLVED THAT** pursuant to the provisions of Section 62(l)(b) of the Companies Act, 2013 (“**Act**”) and all other applicable provisions, if any, of the Act and rules made there under (including any statutory modification(s) or re-enactment thereof, Regulation 12 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI SBEB & SE Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), and other applicable provisions for the time being in force and as may be modified from time to time, and other laws, rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred to herein as the “**Applicable Laws**”), the Memorandum of Association and Articles of Association of Vishal Mega Mart Limited (“**Company**”) and subject further to such other approval(s), consent(s), permission(s) and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the members of the Company hereby approves, the amendment and ratification of the **Vishal Mega Mart Employees Stock Options Plan 2019 (“ESOP 2019”)** within the meaning of SEBI SBEB & SE Regulations as detailed in the explanatory statement and hereby accords authority to the board of directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include the Nomination and Remuneration Committee of the Company) to create, offer, issue, reissue, grant, in one or more tranches, not exceeding 30,00,00,000 (Thirty Crores) options exercisable into 30,00,00,000 (Thirty Crores) equity shares each, fully paid up from time to time for the benefits of the eligible employees as set out in ESOP 2019, at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with ESOP 2019 and all other Applicable Laws, if any.

**RESOLVED FURTHER THAT** the proposed amendments to ESOP 2019 (as detailed in the explanatory statement) are not prejudicial to the interests of the current option holders.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof), be and is hereby authorised to facilitate the allotment of the equity shares under ESOP 2019 upon exercise of vested options from time to time in accordance with ESOP 2019 and the equity shares so allotted shall rank *pari passu* in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** if the equity shares of the Company are either sub-divided or consolidated, the number of equity shares arising out of and/or the price of acquisition payable by the employees under the Vishal Mega Mart Employees Stock Options Plan 2019 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value per equity share bears to the revised face value of the equity shares of the Company after such subdivision or consolidation, without affecting any other rights or obligations of the said grantees.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof), be and is hereby authorised to do all such acts and deeds as are required for regulatory and legal compliance including making application to the recognised stock exchanges to seek requisite approvals for trading of equity shares allotted under the ESOP 2019 in terms of the SEBI SBEB & SE Regulations and SEBI Listing Regulations and for filing any required forms, applications with the registrar of companies, depositories and execution of all relevant documents as may be required in order to give effect to the above resolutions.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect, amending, implementing and ratifying ESOP 2019 pursuant to Applicable Laws and generally for giving effect to these resolutions, the Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary and incidental to give effect to the aforesaid resolution for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof), be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2019 and to do all such acts, deeds, matters and things as it may deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of ESOP 2019 and do all other things incidental and ancillary thereof in accordance with the ESOP 2019 and compliance with Applicable Laws.”

**2. Ratification of the extension of benefits under Vishal Mega Mart Employees Stock Options Plan 2019 to the eligible employees of subsidiary company(ies) of Vishal Mega Mart Limited**

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

**“RESOLVED THAT** pursuant to the provisions of Section 62(l)(b) of the Companies Act, 2013 (“**Act**”) and all other applicable provisions, if any, of the Act and rules made there under (including any statutory modification(s) or re-enactment thereof, Regulation 12 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI SBEB & SE Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), and other applicable provisions for the time being in force and as may be modified from time to time, and other laws, rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred to herein as the “**Applicable Laws**”), the Memorandum of Association and Articles of Association of Vishal Mega Mart Limited (“**Company**”) and subject further to such other approval(s), consent(s), permission(s) and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the members of the Company hereby ratifies the extension of the **Vishal Mega Mart Employees Stock Options Plan 2019 (“ESOP 2019”)** within the meaning of SEBI SBEB & SE Regulations as detailed in the explanatory statement to, the eligible employees of the subsidiary company(ies) as set out in ESOP 2019 and hereby accords authority to the board of directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include the Nomination and Remuneration Committee of the Company) to create, offer, issue, reissue, grant, in one or more tranches, not exceeding 30,00,00,000 (Thirty Crores) options exercisable into 30,00,00,000 (Thirty Crores) equity shares each, fully paid up from time to time for the benefits of the eligible employees of the subsidiary company(ies) as set out in ESOP 2019, at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with ESOP 2019 and all other Applicable Laws, if any.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof), be and is hereby authorised to facilitate the allotment of the equity shares under ESOP 2019 upon exercise of vested options from time

to time in accordance with the ESOP 2019 and the equity shares so allotted shall rank *pari passu* in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof), be and is hereby authorised to do all such acts and deeds as are required for regulatory and legal compliance including making application to the recognised stock exchanges to seek requisite approvals for trading of equity shares allotted under the ESOP 2019 in terms of the SEBI SBEB & SE Regulations and SEBI Listing Regulations and for filing any required forms, applications with the registrar of companies, depositories and execution of all relevant documents as may be required in order to give effect to the above resolutions.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect, implementing and ratifying ESOP 2019 and extending its application to the employees of subsidiary company(ies) pursuant to Applicable Laws and generally for giving effect to these resolutions, the Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary and incidental to give effect to the aforesaid resolution for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard.

**RESOLVED FURTHER THAT** the Board(including any Committee thereof), be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2019 and to do all such acts, deeds, matters and things as it may deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of ESOP 2019 and do all other things incidental and ancillary thereof, in accordance with the ESOP 2019 and compliance with Applicable Laws.”

By Order of the Board  
**For Vishal Mega Mart Limited**

Sd/-  
**Rahul Luthra**  
**Company Secretary & Compliance Officer**  
**Membership No.- F9588**

Date: January 20, 2025  
Place: Gurugram

**CIN: L51909HR2018PLC073282**

**Registered Office:** Plot No. 184, Fifth Floor,  
Platinum Tower, Udyog Vihar, Phase-1,  
Gurugram, Haryana, India, 122016  
Phone no. +91 124-4980000  
Website: <https://aboutvishal.com/>

**NOTES:**

1. The Explanatory Statement pursuant to Sections 102 and 110 of the Companies Act, 2013 (“the Act”) read with the applicable Rules made thereunder and SS-2 setting out the material facts is annexed hereto and forms part of this Postal Ballot Notice (“Notice”).
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose names appear in the Register of Members / Register of Beneficial Owners as on cut-off date i.e. Friday, January 10, 2025, received from the Depositories and whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Physical copies of the Postal Ballot Notice along with postal ballot forms and pre-paid business reply envelopes are not being sent to members for this Postal Ballot.
3. Pursuant to the provisions of Sections 108, 110 and other applicable provisions of the Act and the Rules made thereunder, the MCA Circulars, Regulation 44 of the Listing Regulations read with Section VI-C of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, as amended (“SEBI Master Circular”), and SS-2 and any amendments thereto, the Company is providing the facility to the Members to exercise their right to vote on the proposed resolutions electronically through platform provided by E-Voting Service Provider, i.e. KFin Technologies Limited (‘KFin’). The instructions for e-voting are provided as part of this Postal Ballot Notice.
4. All the 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 the email address with the Company / Depositories), shall be entitled to vote in relation to the resolutions specified in this Postal Ballot Notice.
5. This Postal Ballot Notice will also be available on the Company’s website at <https://aboutvishal.com/> and website of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFin at <https://evoting.kfintech.com/>.
6. In accordance with the MCA Circulars, the Company has made necessary arrangements for the Members to register their e-mail address. Members who have not registered their e-mail address are requested to register the same with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form.
7. Only a person, whose name is recorded in the Register of Members / Register of Beneficial Owners, as on the cut-off date i.e. Friday, January 10, 2025 maintained by the Depositories shall be entitled to participate in the e-voting. A person who is not a Member as on the cut-off date i.e. Friday, January 10, 2025 should treat this Postal Ballot Notice for information purposes only.
8. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, January 10, 2025.
9. The remote e-voting period shall commence on Tuesday, January 21, 2025 from 9.00 a.m. (IST) and ends on Wednesday, February 19, 2025 at 5.00 p.m. (IST). The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by KFin upon expiry of the aforesaid period. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
10. The resolutions, if approved, shall be deemed to have been passed on the last date of e-voting i.e. Wednesday, February 19, 2025.
11. The dispatch of the Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (One) English newspaper and at least 1 (One) Hindi newspaper, each with wide circulation in the region, where the Registered Office of the Company is situated, and also be published on the Company’s website at <https://aboutvishal.com/> and on the website of KFin at <https://evoting.kfintech.com/>.

12. All the documents referred to in this Postal Ballot Notice will be available for inspection electronically without any fee by the Members from the date of circulation of this Postal Ballot Notice until the last date of e-voting. Members seeking to inspect such documents can send an email to [secretarial@vishalwholesale.co.in](mailto:secretarial@vishalwholesale.co.in) or on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

13. **Awareness about Online Resolution of Disputes in the Indian Securities Market through Online Dispute Resolution ('ODR') Portal**

- i. This is to inform you that Securities and Exchange Board of India ("SEBI") vide circular no. SEBI/HO/OIAE/OIAE\_IAD1/P/CIR/2023/131 dated July 31, 2023 issued guidelines for online resolution of disputes in the Indian securities market through establishment of a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTAs) or specified intermediaries/regulated entities in the securities market.
- ii. SEBI vide circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, has further clarified that the investor shall first take up his/her/their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may, escalate the same through the SCORES Portal <https://scores.sebi.gov.in> in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal.
- iii. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.

14. **Procedure for E-voting:**

**i. Evoting Facility:**

- a. The Company is providing e-voting facility provided by KFin Technologies Limited (KfinTech) to its Members to exercise their right to vote on the proposed resolutions by electronic means.
- b. The remote e-voting period shall commence on Tuesday, January 21, 2025 from 9.00 a.m. (IST) and ends on Wednesday, February 19, 2025 at 5.00 p.m. (IST). The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by KfinTech upon expiry of the aforesaid period.
- c. The manner of e-voting by (i) individual shareholders holding shares of the Company in demat mode, (ii) Shareholders other than individuals holding shares of the Company in demat mode, (iii) Members who have not registered their e-mail address, is explained in the instructions given herein below.

**ii. Information and Instructions Relating to E-voting:**





- a. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
- b. **INFORMATION AND INSTRUCTIONS FOR E-VOTING BY INDIVIDUAL SHAREHOLDERS HOLDING SHARES OF THE COMPANY IN DEMAT MODE:**

As per the SEBI Master Circular, all "individual shareholders holding shares of the Company in demat mode" can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. The procedure to login and access e-voting, as devised by the Depositories / Depository Participant(s), is given below:

**PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES**

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

Type of Member	Login Method
Individual Members holding equity shares in demat mode with NSDL	<p>A. Existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</p> <ol style="list-style-type: none"> <li>i. Visit the e-services website of NSDL <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile.</li> <li>ii. On the e-services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. Thereafter enter the existing user id and password.</li> <li>iii. After successful authentication, Members will be able to see e-voting services under ‘Value Added Services’. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed.</li> <li>iv. Click on Company name or e-voting service provider i.e. KfinTech.</li> <li>v. Members will be re-directed to KfinTech’s website for casting their vote during the remote e-voting period.</li> </ol>
	<p>B. Users not registered under IDeAS e-Services:</p> <ol style="list-style-type: none"> <li>i. Visit <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> for registering.</li> <li>ii. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.</li> <li>iv. After successful registration, please follow steps given under Point No. A above to cast your vote.</li> </ol>
	<p>C. By visiting the e-voting website of NSDL:</p> <ol style="list-style-type: none"> <li>i. Visit the e-voting website of NSDL <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>.</li> <li>ii. 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.</li> <li>iii. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>iv. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>v. Click on company or e-voting service provider name i.e. KfinTech after which the Member will be redirected to e-voting service provider’s website for casting their vote during the remote e-voting period.</li> <li>vi. Members can also download the NSDL Mobile App “NSDL Speed-e” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

	<p>NSDL Mobile App is available on</p> <p>   </p> <p>   </p>
<p>Individual Members holding equity shares in demat mode with CDSL</p>	<p>A. Existing user who have opted for Electronic Access to Securities Information (“Easi / Easiest”) facility:</p> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Click on New System Myeasi.</li> <li>iii. Login to MyEasi option under quick login.</li> <li>iv. Login with the registered user ID and password.</li> <li>v. Members will be able to view the e-voting Menu.</li> <li>vi. The Menu will have links of KfinTech e-voting portal and will be redirected to the e-voting page of KfinTech to cast their vote without any further authentication.</li> </ol> <p>B. Users who have not opted for Easi/Easiest:</p> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a> for registering.</li> <li>ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc.</li> <li>iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote.</li> </ol> <p>C. By visiting the e-voting website of CDSL:</p> <ol style="list-style-type: none"> <li>i. Visit <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a></li> <li>ii. Provide demat Account Number and PAN</li> <li>iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.</li> <li>iv. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, or select KfinTech.</li> <li>v. Members will be re-directed to the e-voting page of KfinTech to cast their vote without any further authentication.</li> </ol>
<p>Individual Members (holding equity shares in demat mode) logging through their depository participants</p>	<ol style="list-style-type: none"> <li>i. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.</li> <li>ii. Once logged-in, Members will be able to view e-voting option.</li> <li>iii. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.</li> <li>iv. Click on options available against Company’s name or KfinTech.</li> <li>v. Members will be redirected to e-voting website of KfinTech for casting their vote during the remote e-voting period without any further authentication.</li> </ol>



Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Members holding equity shares in demat mode for any technical issues related to login through Depository, i.e., NSDL / CDSL:

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
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 number: 022-4886 7000 / 022-2499 7000	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 1800 22 55 33.

**b. Login method for remote e-voting for Members other than Individual’s holding shares in demat mode and Members holding equity shares in physical mode:**

- I. Members whose email IDs are registered with the Company / Depository Participants, will receive an email from KfinTech which will include details of e-voting Event Number (EVEN), USER ID and Password (initial default password will be provided in the body of the email). They will have to follow the following process:
  - i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a Member is registered with KfinTech for e-voting, they can use their existing User ID and password for casting the vote.
  - iii. After entering these details appropriately, click on “LOGIN”.
  - iv. Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt the Member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that Members do not share their password with any other person and that they take utmost care to keep their password confidential.
  - v. Members would need to login again with the new credentials.
  - vi. On successful login, the system will prompt the Member to select the “EVEN” i.e. ‘8610’ and click on “Submit”.
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. Friday, January 10, 2025, under “FOR/AGAINST” or alternatively, a Member may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed the

total shareholding of the shareholder as on the cut-off date i.e. Friday, January 10, 2025. A Member may also choose the option ABSTAIN. If a Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

- viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
  - ix. Voting has to be done for each item of the notice separately. In case a Member does not desire to cast their vote on any specific item, it will be treated as abstained.
  - x. A Member may then cast their vote by selecting an appropriate option and click on “Submit”.
  - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once a Member has voted on the resolution (s), they will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- II. Members whose email IDs are not registered with the Company/Depository Participants and e-voting instructions cannot be serviced, will have to follow the following process:

- i. Members who have not registered their email address, thereby not being in receipt of the Postal Ballot Notice and e-voting instructions, may get their email address and mobile number submitted with KfinTech by following the below steps:

Through electronic mode with e-sign by following the link:  
<https://ris.KfinTech.com/clientservices/isc/default.aspx#>

Detailed FAQs can be found on the link: <https://ris.KfinTech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

- ii. Members are requested to follow the process as guided to capture the email address and mobile number for receiving the soft copy of the Postal Ballot Notice and e-voting instructions along with the User ID and Password. In case of any queries, Members may write to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).
- iii. Alternatively, Members may send an e-mail request at the email id [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) along with scanned copy of the request letter, duly signed, providing their email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Postal Ballot Notice and the e-voting instructions.
- iv. After receiving the e-voting instructions, please follow all the above steps to cast your vote by electronic means.
- v. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the ‘download’ section of

<https://evoting.KfinTech.com> or call KFin Technologies Limited on 1800 309 4001 (toll free).

**15. Contact details for addressing e-voting grievances:**

Mr. Ganesh Chandra Patro, Deputy Vice President, KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032, Telangana, Phone No.: + 91 40 67161630, Toll-free No.: 1800-309-4001 and E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

**EXPLANATORY STATEMENT**

[Pursuant to Section 102(1) read with 110 of the Companies Act, 2013 and Secretarial Standard on General Meetings ('SS-2')]

**ITEM NO. 1 & 2**

The Company has adopted the Vishal Mega Mart Employees Stock Options Plan 2019 ("**ESOP 2019**") in order to reward its and its subsidiaries' employees for their performance, motivate them to contribute to the growth and profitability of the Company, and further to retain the talent working with the Company. The Company had originally approved ESOP 2019 with the approval of the members on January 10, 2019 and further amended ESOP 2019 which was adopted by members through special resolution in extra-ordinary general meeting of the Company held on March 22, 2024 to set out additional terms and conditions in order to comply with the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**"). The Board of Directors of the Company ("**Board**") has formulated certain notified schemes under the ESOP 2019 under which employee stock options have been granted to eligible employees.

Based on the approval of the Nomination & Remuneration Committee dated January 15, 2025 and the Board dated January 16, 2025 and subject to the approval of the members, certain amendments are proposed to be made to ESOP 2019 in order to provide certain additional discretion to the Board/NRC for ease of administration of the options under the ESOP 2019 (including certain conditions which will provide additional incentive for the employees to contribute to the growth of the Company) such as acceleration of unvested options, granting authority to the NRC to formulate the notified scheme(s) issued under ESOP 2019 and/or make any amendments/modifications to such notified scheme(s) etc., which are not prejudicial to the interest of the then current grantees.

Additionally, in terms of Regulation 12(1) of the SEBI SBEB & SE Regulations, no company shall make any fresh grants of employee stock options which involves allotment or transfer of shares to its employees under any schemes formulated prior to its Initial Public Offering ("**IPO**") and prior to the listing of its equity shares ("**Pre-IPO Scheme**") unless (i) such Pre IPO Scheme is in conformity with the SEBI SBEB & SE Regulations; and (ii) such Pre IPO Scheme is ratified by its shareholders subsequent to the IPO.

Further, as per proviso to Regulation 12(1) of SEBI SBEB & SE Regulations, the ratification under Regulation 12(1)(ii) may be done any time prior to grant of new options or shares under such Pre-IPO Schemes.

Considering that the Company was listed on recognized stock exchange platforms on December 18, 2024, ESOP 2019 is required to be ratified by the members of the Company in terms of the Regulation 12(1) of the SEBI SBEB & SE Regulations, for making any fresh grants under ESOP 2019. Accordingly, the same is referred to the members of the Company for their ratification in terms of Regulation 12(1) and other applicable provisions of the SEBI SBEB & SE Regulations. It is pertinent to note that the Company has not made any fresh grants of options to employees under ESOP 2019 as on date post the listing of the Company.

In terms of Regulation 6 of SEBI SBEB & SE Regulations, approval of the members by way of separate special resolution is also required for granting options to the employees of holding company(ies), subsidiary company(ies)/group company(ies) (including associate company(ies), joint venture companies). Accordingly,

as the Company is desirous of granting options to the employees of subsidiary company(ies), separate approval is proposed to be obtained by the members of the Company by way of passing a special resolution.

Details of the key variations of the ESOP 2019 are provided below:

**1. Key Variations in ESOP 2019:**

It is proposed to include/modify the following terms under ESOP 2019 in order to provide certain additional discretion to the NRC/Board for ease of administration of the options under ESOP 2019 (including certain conditions which will provide additional incentive for the employees to contribute to the growth of the Company). These amendments include provisions on acceleration of unvested options, granting authority to the NRC for ease of administration of the options under the ESOP 2019 (including certain conditions which will provide additional incentive for the employees to contribute to the growth of the Company) such as acceleration of unvested options, granting authority to the NRC to formulate the notified scheme(s) issued under ESOP 2019 and/or make any amendments/modifications to such notified scheme(s) etc., which are not prejudicial to the interest of the then current grantees. The amendments provided under Part - A shall apply to both current and prospective grantees whereas those provided under Part - B shall apply only to the prospective grantees under ESOP 2019, unless otherwise specified.

**Part - A**

The amendments provided in Part - A herein shall apply to both current and prospective grantees under ESOP 2019:

Clause No.	Existing Clause	Proposed Clause
2.4	<p><b>Purpose of the Plan</b></p> <p>Currently, the clause ‘purpose of the plan’ is drafted in the following manner:</p> <p><i>“The Plan shall continue to be in force until the earlier of either (i) its termination by the Company as per provisions of Applicable Laws after all issued options that are outstanding are exercised or lapsed, or (ii) the date on which all the Options available for issuance under the Plan have been issued and exercised.”</i></p>	<p>The clause is proposed to be amended in the following manner to provide clarificatory language in order to provide discretion to the NRC/Board in relation to termination of ESOP 2019:</p> <p><i>The Plan shall continue to be in force until the earlier of either (i) its termination by the <u>Committee and the Board</u> as per provisions of Applicable Laws after all issued options that are outstanding are exercised or lapsed, or (ii) the date on which all the Options available for issuance under the Plan have been issued and exercised.”</i></p>
3.18	<p><b>Definition of Exercise Price</b></p> <p>Currently, the term “Exercise Price” is defined in the following manner:</p> <p>“Exercise Price” means the price, if any, payable by the Employee for exercising the Vested Option granted to him in pursuance of the Plan and Notified Scheme(s).</p>	<p>The term ‘Exercise Price’ is proposed to be amended in the following manner:</p> <p>“Exercise Price” means the price, if any, payable by the Employee for exercising the Vested Option granted to him in pursuance of the Plan and Notified Scheme(s). Provided that post listing, the exercise price shall be in compliance with the accounting standards as specified under the SEBI SBEB &amp; SE Regulations, including any ‘Guidance Note on Accounting for employee share-based Payments’ issued in that regard from time to time;</p>
3.31	<p><b>Definition of Liquidity Event:</b></p> <p>Currently, the term “Liquidity Event” is defined in the following manner:</p>	<p>The term ‘Liquidity Event’ is proposed to be amended in the following manner to provide discretion to NRC/Board in relation to</p>

Clause No.	Existing Clause	Proposed Clause
	<p><i>"Liquidity Event" means</i></p> <p>a) An IPO;</p> <p>b) Strategic sale by the Investors of 51% (fifty one per cent) or more of the Equity Shares of the Company held by the Investors to a third party;</p> <p>c) Any event as determined by the Company/ Board</p>	<p>determining the event which may be construed as a 'liquidity event' under ESOP 2019:</p> <p><i>"Liquidity Event" means</i></p> <p>a) An IPO;</p> <p>b) Strategic sale by the Investors of 51% (fifty one per cent) or more of the Equity Shares of the Company held by the Investors to a third party;</p> <p>c) Any event as determined by the Company/ Board/ <u>Committee</u>"</p>
4	<p><b>Notification of the Scheme</b></p> <p>Currently the clause under 'notification of the scheme' is drafted in the following manner:</p> <p><i>"The Company/ Board/ Committee shall notify the Schemes under this Plan.</i></p> <p><i>The Board/ Committee may subject to a special resolution (if applicable) passed at a General Meeting at any time and from time to time, add, amend, alter or revoke any Scheme(s) notified under the Plan in accordance with Clause 25 of this Plan."</i></p>	<p>The Clause is proposed to be amended in the following manner to provide authority to the NRC to notify schemes under ESOP 2019 without seeking prior approval from the members of the Company:</p> <p><i>"The Committee shall notify the Schemes under this Plan.</i></p> <p><i>The Committee may at any time and from time to time, add, amend, alter or revoke any Scheme(s) notified under the Plan in accordance with Clause 25 of this Plan."</i></p>
6.3	-	<p>Inserted the following clause 6.3 after Clause 6.2 in ESOP 2019:</p> <p><i>"The Board / Committee shall, inter alia, formulate, from time to time, specific parameters relating to the Plan and Notified Scheme(s) including:</i></p> <p>a) <i>The quantum of Options to be granted under the Plan to a particular Eligible Employee or to a category or group of Eligible Employees and in aggregate;</i></p> <p>b) <i>The kind of benefits under the Plan;</i></p> <p>c) <i>The conditions under which Options vested in any Grantee may vest in Employees and lapse, including in case of termination of employment for misconduct or Cause;</i></p> <p>d) <i>The Exercise Period within which an Employee can Exercise the Options and that the Options would lapse on failure to Exercise the same within the Exercise Period;</i></p> <p>e) <i>The specified time period within which the Grantee shall Exercise the vested Options, including in the event of termination of employment or resignation of such Eligible Employee;</i></p>

Clause No.	Existing Clause	Proposed Clause
		<p>f) <i>The right of a Grantee to Exercise all the Options vested in him at one time or at various points of time within the Exercise Period;</i></p> <p>g) <i>The procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the Exercise Price in case of Corporate Actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Board / Committee:</i></p> <p style="padding-left: 40px;">A. <i>The number and price of Option shall be adjusted in a manner such that total value of the Options remains the same after the corporate action;</i></p> <p style="padding-left: 40px;">B. <i>The vesting period and the life of Option shall be left unaltered as far as possible to protect the rights of Grantee.</i></p> <p>h) <i>The granting, vesting and Exercise of Option in case of Eligible Employees who are on long leave;</i></p> <p>i) <i>To determine eligibility to avail benefits in case of Employees who are on long leave;</i></p> <p>j) <i>The procedure for funding the Exercise of Options;</i></p> <p>k) <i>The procedure for buy-back of specified securities issued under SEBI SBEB &amp; SE Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:</i></p> <p style="padding-left: 40px;">A. <i>Permissible sources of financing for buy-back;</i></p> <p style="padding-left: 40px;">B. <i>Any minimum financial thresholds to be maintained by the Company as per its last financial statements; and</i></p> <p style="padding-left: 40px;">C. <i>Limits upon quantum of specified securities that the Company may buy-back in a financial year.</i></p> <p><i>The term 'specified securities' shall have the meaning ascribed under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and</i></p> <p>l) <i>To deal with all incidental and related matters in connection with the items (a) to (k) and otherwise to ensure compliance with the requirements of Applicable Laws.</i></p>
6.4	<p><b>Administration of Plan</b></p> <p>Currently the clause under 'administration of plan' is drafted in the following manner:</p>	<p>The clause is proposed to be amended in the following manner to add clarificatory language to ESOP 2019:</p>

Clause No.	Existing Clause	Proposed Clause
	<p><i>"The Board/ Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company and its Employees, as applicable."</i></p>	<p><i>"The Board/ Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including <u>Companies Act, 2013</u>, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, <u>SEBI SBEB &amp; SE Regulations</u>, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company and its Employees, as applicable, <u>Memorandum of Association, Articles of Association of the Company, Income-tax Act, 1961, notifications, circulars and guidelines issued thereunder and any other Applicable Laws.</u>"</i></p>
10.1	<p><b>Vesting of Options</b> Currently, the clause 'vesting of options' is drafted in the following manner:</p> <p><i>"Subject to Clause 13 below, the Unvested Options shall vest with the Participant in accordance with the Notified Scheme(s) under the Plan. The vesting period shall not be less than one year from the grant date. Vesting period of options granted would be fixed at the time of grant of options by the Committee/Board."</i></p>	<p>The clause if proposed to be amended in the following manner to provide discretion to the NRC in relation to vesting of options under ESOP 2019:</p> <p><i>"Subject to Clause 13 below <u>and unless otherwise determined by the Committee at its sole discretion</u>, the Unvested Options shall vest with the Participant in accordance with the Notified Scheme(s) under the Plan. The vesting period shall not be less than one year from the grant date <u>except in case of Death or Permanent Disability post listing</u>. Vesting period of options granted would be fixed at the time of grant of options by the Committee/Board."</i></p>
10.5	-	<p>Inserted the following clause 10.5 after Clause 10.4 in ESOP 2019:</p> <p>Notwithstanding anything contained in the Plan or under the Notified Scheme(s), the Committee shall have the power to accelerate the Vesting of Options subject to the completion of the minimum 1 (one) year period from the Grant Date (which minimum vesting period shall not apply in case of Death or Permanent Disability post listing).</p>
13.4	<p><b>Termination of Employment: Termination/ Resignation</b></p> <p>Currently, the clause for termination of employment in case of resignation is drafted in the following manner:</p> <p><i>"In case the employment of the Participant with the Company is terminated on account of Termination/ Resignation without Cause, all Unvested Options with the Participant, shall lapse and the</i></p>	<p>The clause is proposed to be amended in the following manner to add clarificatory language to ESOP 2019 in relation to treatment of options in cases of termination/resignation (without cause). Further, the clause is also proposed to be amended to include the treatment of options in case of retirement of the grantee, while also providing discretion to the NRC in such matters:</p> <p><i>"<u>Unless otherwise determined by the Committee</u>, in case the employment of the Participant with the Company is terminated on account of termination/</i></p>

Clause No.	Existing Clause	Proposed Clause
	<p>contract referred to in Clause 9.3 above shall stand automatically terminated without surviving any right/ liability for any party.”</p>	<p>resignation without Cause, all Unvested Options with the Participant <u>as on the date of the termination notice or resignation letter</u>, shall lapse and the contract referred to in Clause 9.3 above shall stand automatically terminated without surviving any right/ liability for any party. <u>Notwithstanding the above, unless otherwise determined by the Committee post listing, in case the employment of the Participant with the Company is terminated on the account of Retirement, then all the Committee may in its sole discretion permit the Unvested Options can as on the date of Retirement to continue to vest as per the vesting schedules as mentioned in the Notified Scheme(s).</u>”</p>
25	<p><b>Modification of Plan</b></p> <p>The clause under ‘modification of plan’ is drafted in the following manner:</p> <p><i>“The Board/ Committee may, subject to a Special resolution passed at a general meeting (if applicable) at any time and from time to time;</i></p> <p><i>(i) Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Plan, the relevant Notified Scheme(s) or all or any of the rights and obligations of the Grantee/ Participant/ Beneficiary;</i></p> <p><i>(ii) Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantee/ Participant/ Beneficiary. Each of such sets of special terms and conditions shall be restricted in its application to those Grantee/ Participant/ Beneficiary;</i></p> <p><i>(iii) Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares.”</i></p> <p><i>Provided that no variation, alteration, addition or amendment to the Plan or any Notified Scheme under the Plan can be made if it is detrimental to the interests of the Grantee/ Participant/ Beneficiary and the approval of the shareholders in General Meeting has been obtained unless the terms are varied to meet any regulatory requirements and in preview of Board/Committee.</i></p>	<p>The clause is proposed to be amended in the following manner to provide authority to the NRC to notify schemes under ESOP 2019 without prior approval from the members of the Company and include certain clarificatory language to ESOP 2019:</p> <p><i>“Subject to the provisions of <u>SEBI SBEB &amp; SE Regulations</u>, the Board/Committee may at any time from time to time;</i></p> <p><i>(i) Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Plan or all or any of the rights and obligations of the Grantee/ Participant/ Beneficiary;</i></p> <p><i>(ii) Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantee/ Participant/ Beneficiary. Each of such sets of special terms and conditions shall be restricted in its application to those Grantee/ Participant/ Beneficiary;</i></p> <p><i>(iii) Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares.</i></p> <p><i>Provided that no variation, alteration, addition or amendment to the Plan or any Notified Scheme under the Plan can be made if it is detrimental to the interests of the Grantee/ Participant/ Beneficiary. <u>However, the terms of the Plan and Notified Scheme(s) can be varied without seeking shareholders’ approval to meet any regulatory requirements and in preview of Board/Committee.</u></i></p> <p><i><u>The Committee may amend the terms of the Notified Scheme(s) from time to time at its sole discretion within the terms mentioned under the</u></i></p>



Clause No.	Existing Clause	Proposed Clause
	<p>Subject to the Clause 25.4, the Company may by special resolution in a General Meeting vary the terms of the Schemes offered pursuant to an earlier resolution of the general body but not yet exercised by the Employee provided such variation is not prejudicial to the interests of the Employees. The Company shall be entitled to vary the terms of the schemes to meet any regulatory requirement without seeking shareholders' approval by special resolution."</p>	<p><u>Plan provided that such variation is not prejudicial to the interests of the Grantee /Participant / Beneficiary/Stakeholder."</u></p>
26.	<p><b>Miscellaneous provisions</b> The relevant clauses under 'miscellaneous provisions' is drafted in the following manner:</p> <p>"26.5 Drag Along Rights: Notwithstanding anything contained in Clause 18 above and provisions of the Companies Act, 1956, or Companies Act, 2013 as the case maybe, and other Applicable laws, in the event of sale of 51% of the shareholding of the company by Investor, the Board/ Committee, in its absolute discretion shall allow Unvested Options to Vest in an accelerated manner in accordance with the Notified Scheme(s). The Board/ Committee shall also require all the Participants/Beneficiaries, to Exercise all such Vested Options, including those that may have been vested in an accelerated manner, and subsequently, shall in respect of the Shares acquired by the Participant/ Beneficiary have a right but not an obligation to require the Participant/ Beneficiary to sell/ transfer all or part of the Shares to the acquirer or other entity as the case may be at the same price at which the sale takes place."</p> <p>"26.6 Tag-along rights: Notwithstanding anything contained in Clause 18 above and in accordance to provisions of the Companies Act, 2013 and other Applicable laws, in case of a Liquidity Event, any Participant/ Beneficiary, at his own discretion, has the right to offer the shares acquired pursuant to Exercise of Options on a pro-rata basis, depending on the percentage of shares being sold by the Investor, to the acquirer or other entity as the case may be, as part of the strategic sale / third party sale / offer for sale at the</p>	<p>This clause is proposed to be amended to provide clarity that the transfer restriction related provisions such as tag along rights and drag along rights will no longer be applicable to the Company as the Company has been listed on the recognised stock exchange(s).</p>

Clause No.	Existing Clause	Proposed Clause
	<p>same price (on a fully diluted basis) at which the sale takes place. The Board shall give each Participant/ Beneficiary, a written notice containing the name of the proposed acquirer or other entity as the case may be, the total number of Shares that the Participant / Beneficiary is entitled to sell (“Tag Along Shares”) to the acquirer or other entity as the case may be, the price and the other terms and conditions of the proposed sale, if any (“Tag Along Notice”).”</p>	

**Part - B**

The amendments provided in Part - B herein shall apply only to prospective grantees under ESOP 2019.

Clause No.	Existing Clause	Proposed Clause
3.5	<p><b>Definition of Cause:</b></p> <p>Currently the term “cause” is defined in the following manner:</p> <p>“Cause” shall include the following in relation to the Employee: (a) willful insubordination/disobedience; (b) fraudulent or dishonest conduct, material breach of integrity, embezzlement, or improper benefit as a result of a breach of any covenant or agreement (c) prolonged absence from employment for a period of 21 (twenty one) consecutive business days without prior consent or general irregularity in attendance from time to time without sufficient cause; (d) insolvency of Employee or his conviction for any offence involving moral turpitude, or conviction of a crime, or plea of guilty or no contest thereto in connection with any financial, business or commercial enterprise or transaction; (e) breach by him of any term of this Agreement or other documents or directions of the Company, or the taking of or omission to take any action that has caused or substantially contributed to a material deterioration in the business or reputation of the Company or any of its Affiliates, or that was otherwise materially disruptive of their business or affairs; (f) failure to devote sufficient time to the business of the Company as required herein without prior consent of the Company or</p>	<p>The definition is proposed to be amended to expand the definition of “cause” under ESOP 2019 and provide discretion to the Board/NRC to determine any other condition that may be construed as “cause”. The amended provision will be applicable to only prospective grantees.</p> <p>“Cause” shall include the following in relation to the Employee: (a) willful insubordination/disobedience; (b) fraudulent or dishonest conduct, material breach of integrity, embezzlement, or improper benefit as a result of a breach of any covenant or agreement (c) prolonged absence from employment for a period of 21 (twenty one) consecutive business days without prior consent or general irregularity in attendance from time to time without sufficient cause; (d) insolvency of Employee or his conviction for any offence involving moral turpitude, or conviction of a crime, or plea of guilty or no contest thereto in connection with any financial, business or commercial enterprise or transaction; (e) breach by him of any term of this Agreement or other documents or directions of the Company, or the taking of or omission to take any action that has caused or substantially contributed to a material deterioration in the business or reputation of the Company or any of its Affiliates, or that was otherwise materially disruptive of their business or affairs; (f) failure to devote sufficient time to the business of the Company as required herein without prior consent of the Company or without sufficient cause; (g) the taking of any action or the omission to take any action, if Employee knew, or should have known, that such conduct would be detrimental to the operation of the</p>

Clause No.	Existing Clause	Proposed Clause
	<p><i>without sufficient cause; or (g) the taking of any action or the omission to take any action, if Employee knew, or should have known, that such conduct would be detrimental to the operation of the business of the Company in a professional and efficient manner (provided, however, that such conduct shall not include for this purpose any mistake of judgment made in good faith with respect to any transaction implemented as Employee of the Company);”</i></p>	<p><i>business of the Company in a professional and efficient manner (provided, however, that such conduct shall not include for this purpose any mistake of judgment made in good faith with respect to any transaction implemented as Employee of the Company); or (h) for Grants made post February 19, 2025, any other act or omission as may be determined by the Board / Committee”</i></p>
26.	<p><b>Miscellaneous provisions</b></p> <p>The relevant clause under ‘miscellaneous provisions’ is drafted in the following manner:</p> <p><i>“26.10 This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.”</i></p>	<p>This clause is proposed to be amended in the following manner to add clarificatory language to ESOP 2019 so that for any prospective grants, in relation to conflict of provisions between ESOP 2019, notified scheme(s) and employment agreement, the terms of ESOP 2019 will prevail.</p> <p><i>“This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter. <u>For any Grant made post the amendment of this Plan vide shareholders’ resolution dated February 19, 2025, in case of there is a conflict between the terms of this Plan, the Notified Scheme(s) or the Employment Agreement, the terms of this Plan shall prevail.</u>”</i></p>

**2. Rationale for the variation of ESOP 2019:**

- (a) The amendments, including those mentioned herein, are proposed to be undertaken in order to provide certain additional discretion to the Board/NRC for ease of administration of the options under the ESOP 2019 (including certain conditions which will provide additional incentive for the employees to contribute to the growth of the Company) such as acceleration of unvested options, granting authority to the NRC to formulate the notified scheme(s) issued under ESOP 2019 and/or make any amendments/modifications to such notified scheme(s) etc., which are not prejudicial to the interest of the then current grantees.
- (b) The proposed amendments also contain certain clarificatory, editorial and consistency changes.
- (c) The proposed amendments in Part - A are applicable to both current and prospective grantees whereas the proposed amendments as provided in Part - B are applicable to only prospective grantees. Thus, the proposed amendments are not prejudicial to the interest of current grantees.

**3. Details of the employees who are beneficiaries of such variation:**

The beneficiaries of variation as mentioned under Part A are the ‘employees’ who have been granted options as well as those who will be granted options post amendment to the ESOP 2019. Further, the beneficiaries of variation as mentioned under Part B will be the ‘employees’ who will be granted options post amendment of the ESOP 2019. Additionally, the amendment will extend to and include the existing and new employees of the subsidiary company(ies) of the Company as well, in the manner set out above.

### **Disclosures under Regulation 6(2) of the SEBI SBEB & SE Regulations:**

In line with Regulation 6(2) of the SEBI SBEB & SE Regulations, the explanatory statement to the notice and the resolution for such scheme shall need to contain the information as contained in the Part C of Schedule 1 of the SEBI SBEB & SE Regulations. In line with the above-mentioned regulations and schedule, the salient features of ESOP 2019 are as under:

#### **1. Brief description of the ESOP 2019:**

The ESOP 2019 is called Vishal Mega Mart Employees Stock Options Plan 2019. The objectives of ESOP 2019 are as follows:

- (a) Align employee interests with shareholders' interest;
- (b) Drive performance of the company;
- (c) Retention of employees; and
- (d) Wealth creation for the employee.

The ESOP 2019 shall be administered by the NRC and all the questions of interpretation of ESOP 2019 shall be determined by it. Further, the NRC shall notify the scheme(s) issued under ESOP 2019 and grant the options to the identified employees in accordance with the terms and conditions as specified in the notified scheme(s) under ESOP 2019.

#### **2. The total number of Options to be offered and granted:**

A maximum of 30,00,00,000 employee stock options may be offered or granted under the ESOP 2019, which on exercise would not entitled more than 30,00,00,000 equity shares. The Board/NRC reserves the right to increase or reduce such number of shares as it deems fit, subject to approval of the members of the Company.

The Company prior to its IPO had already granted 25,83,51,857 options (of which 1,75,89,950 were already exercise).

#### **3. Identification of classes of employees entitled to participate and be beneficiaries in the ESOP 2019:**

The following classes of employees / directors shall be entitled to participate and shall be the beneficiaries under the ESOP 2019:

- (i) an employee designated by the Company, who is exclusively working in India or outside India;
- (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-clause (i) or (ii) above, of a group company including subsidiary or it 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 10% of the outstanding equity shares of the Company.

The eligibility to participate in the ESOP 2019 is subject to such criteria as may be decide by the Board/NRC at its own discretion, including but not limited to the date on which the employee joins the company or subsidiary company(ies), grade of the employee, performance evaluation, period of service with the company or subsidiary company(ies), criticality or any other criteria as determined by the Board/NRC.

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

The options shall vest in accordance with the notified scheme(s) issued under ESOP 2019. The vesting period of options granted under ESOP 2019 shall be not less than 1 year (except in case of death or permanent disability). Further, the maximum vesting period and vesting conditions will be as per the provisions of ESOP 2019 and the notified scheme(s) issued thereunder, as may be amended from time to time.

Vesting of options would be subject to continued employment of the employee with the Company or its subsidiary company(ies) (as the case may be). The Board/NRC may also specify certain criteria as may be determined by the Board/NRC at its own discretion, including but not limited to the date on which the employee joins the company or subsidiary company(ies), grade of the employee, performance evaluation, period of service with the company or subsidiary company(ies), criticality or any other criteria as determined by the Board/NRC.

If an option expires, lapses or becomes un-exercisable due to any reason under ESOP 2019 or any of the notified scheme(s), it shall be added back to the options pool and shall become available for future grants, subject to compliance with the provisions of the applicable law. The Company may, at their discretion grant such options within the overall limit determined in accordance with the notified scheme(s) under ESOP 2019.

The vesting of options granted to the employees may expire or lapse or forfeit or accelerate (as the case maybe) in the following circumstances:

- (a) Options which have vested and not exercised by grantee within the exercise period shall lapse and the grantee shall have no right over such lapsed options;
- (b) In case the employment of the employee with the Company is terminated with cause', all options (vested as well as unvested) shall lapse on the date of termination of the employment of the grantee without surviving any right/liability for any party in respect of such options, unless otherwise decided by the Board/NRC;
- (c) In case the employment of the grantee with the Company is terminated on account of termination/resignation (without cause), unless otherwise determined by the NRC, all unvested options with the grantee as on the date of the termination notice or resignation letter, shall lapse without surviving any right / liability for any party. However, in case the employment of the grantee with the Company is terminated on the account of retirement, then the NRC may in its sole discretion permit the unvested options as on the date of retirement to continue to vest as per the vesting schedules as mentioned in the notified scheme(s);
- (d) In case of death and permanent disability, all the unvested options as on the date of death/permanent disability shall be deemed to vest immediately, and the minimum vesting period of 1 year shall not be applicable in such cases;
- (e) The NRC shall have the power to accelerate the vesting of options subject to the completion of the minimum 1year period from the grant date (which minimum vesting period shall not apply in case of death and permanent disability).

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

Unless otherwise determined by the NRC at its sole discretion, the maximum vesting period shall be as per the notified scheme(s) issued under ESOP 2019. However, the minimum vesting period of the options granted under the ESOP 2019 shall not be less than 1 year.

## **6. Exercise price or pricing formula:**

The exercise price of the vested options shall be determined in accordance with the notified scheme(s) under ESOP 2019 and the same shall be specified in the letter of grant. Further, the exercise price shall be in compliance with the accounting standards as specified under the SEBI SBE & SE Regulations, including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.

## **7. Exercise period and process of exercise:**

### Exercise Period:

Exercise period to exercise the vested options shall be 10 years from the date of grant of such options unless the Board/NRC decides otherwise.

### Exercise process:

The Board/NRC is empowered to decide the procedure for the exercise of options and allotment of shares under ESOP 2019. The process of exercise, as provided under ESOP 2019 is as follows:

- (a) Subject to the relevant notified scheme(s) and relevant provisions of ESOP 2019, the employees can exercise vested options within the exercise period and such exercise can be of all such vested options or part of it. No vested option shall be exercisable in its fractional form.
- (b) Exercise of the vested options shall take place at the time and place designated by the Board/NRC and by executing such documents as may be required under the applicable laws or by the Board/NRC to pass a valid title of the relevant shares to such employee, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.
- (c) A vested option shall be deemed to be validly exercised only when the Board/NRC or any other person ratified by the Board/NRC receives written and signed notice of such exercise from the employee along with full payment of the exercise price, taxes (wherever arising) and any other sums due as provided under the relevant provisions of ESOP 2019.
- (d) The aggregate exercise price shall be paid in full upon the exercise of the vested options. Payment must be made by one of the following methods:
  - i) Cheque or demand draft issued in the name of the Company as the Board/NRC may specify; or
  - ii) Remittance directly from the Participant's bank to the bank account of the Company (wire transfer) as the Board/ NRC may specify; or
  - iii) Any combination of such methods of payment or any other method acceptable by the Company as determined by the Board/NRC at its sole discretion.

## **8. Appraisal process for determining the eligibility of employees for the ESOP 2019:**

The appraisal process/eligibility criteria for determining the employees to whom the options are to be granted, shall be subject to such criteria as may be decided by the Board/ NRC at its own discretion, including but not limited to the date on which the employee joins the company or subsidiary company(ies), grade of the employee, performance evaluation, period of service with the company or subsidiary company(ies), criticality or any other criteria as determined by the Board/NRC.

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

A maximum of 30,00,00,000 employee stock options may be offered or granted under ESOP 2019, which on exercise would not entitle more than 30,00,00,000 equity shares of the Company. The Board/NRC

reserves the right to increase or reduce such number of shares as it deems fit, subject to approval of the members.

The maximum number of employee stock options to be granted per employee will be determined by the NRC on case to case basis.

**10. Maximum quantum of benefits to be provided per employee under the ESOP 2019:**

The maximum quantum of 30,00,00,000 benefits may be offered or provided to an eligible employee under the ESOP 2019, which on exercise would entitle not more than 30,00,00,000 equity shares. This shall be decided by the Board/NRC depending upon the designation and the appraisal/assessment process. However, during any one year, no employee shall be granted options equal to or exceeding 1 % of the issued share capital excluding outstanding warrants and conversions of the Company at the time of grant of options unless an approval from the members is taken by way of special resolution.

**11. Whether the ESOP 2019 is to be implemented and administered directly by the Company or through a trust:**

The ESOP 2019 is to be implemented and administered directly by the Company.

**12. Whether the ESOP 2019 involves new issue of shares by the Company or secondary acquisition by the trust or both:**

The ESOP 2019 contemplates issuance of new equity shares by the Company.

**13. The amount of loan to be provided for implementation of the ESOP 2019 by the Company to the trust, its tenure, utilization, repayment terms, etc.**

Not applicable.

**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 ESOP 2019:**

Not applicable.

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

The Company shall follow the accounting and disclosure related to options as prescribed under the SEBI SBEB & SE Regulations, including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time. Additionally, the Company will also make the necessary disclosures under the SEBI SBEB & SE Regulations at the time of grant, as provided in Part G of Schedule I of the SEBI SBEB & SE Regulations.

**16. The method which the Company shall use to value its Options:**

The Company shall use Fair Market Value Method for valuation of options as prescribed under the Accounting Standards, as applicable and notified by appropriate authorities from time to time.

**17. Statement with regard to disclosure in directors' report, if applicable:**

In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the directors' report and the impact of this difference on profits and on earnings per share of the company shall also be disclosed in the directors' report. - Not applicable

**18. Period of lock-in:**

Unless otherwise determined by the Board/NRC, shares issued under ESOP 2019 shall not be subject to a lock-in period, as specified under the respective notified scheme(s).

**19. Terms & conditions for buyback, if any, of specified securities covered under the SEBI SBEB & SE Regulations.**

The Board/NRC shall, in accordance with ESOP 2019 and applicable laws determine inter alia the procedure for buy-back of specified securities under the SEBI SBEB & SE Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- (i) Permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- (iii) limits upon quantum of specified securities that the Company may buy-back in a financial year.

Consent of the members is being sought by way of special resolution in relation to the amendment of ESOP 2019 and pursuant to Regulation 12(1) of the SEBI SBEB & SE Regulations and all other applicable provisions of law, if any.

The approval of the shareholders by way of a special resolution is also being sought in order to grant options to employees of the subsidiary company(ies) of the Company.

A draft of the ESOP 2019 with the proposed amendments shall be available at the registered office of the Company, for inspection during business hours of the Company from Tuesday, January 21, 2025 up to the last date of remote e-voting.

None of the promoters and independent directors of the Company and their relatives are concerned or interested, financially or otherwise in the resolutions stated at Item No. 1 & 2. The directors and key managerial personnel of the Company may be deemed to be concerned or interested in these resolutions only to the extent of any options that may be granted to them (along with the resultant equity shares issued) that may be offered to them in accordance with the ESOP 2019.

The Board thereby recommends the passing of the proposed resolutions stated in Item No. 1 and 2 of the notice for approval of members as a special resolution.

By Order of the Board  
**For Vishal Mega Mart Limited**

Sd/-  
**Rahul Luthra**  
Company Secretary & Compliance Officer  
Membership No.- F9588

Date: January 20, 2025

Place: Gurugram

**CIN: L51909HR2018PLC073282**

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