

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting ("EGM") of the members of Salora International Limited will be held on Friday, June 30, 2023 at 11.00 a.m. (IST) through Video Conference ("VC") / Other Audio-Visual Means ("OAVM") facility to transact the following business:

SPECIAL BUSINESS:**Item No. 1 : APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) BETWEEN SALORA INTERNATIONAL LIMITED AND DEVI ELECTRONICS PRIVATE LIMITED**

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions, as amended from time to time, as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) entered into/ proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between Salora International Limited (the 'Company') and Devi Electronics Private Limited ('DEPL'), a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and DEPL, for an aggregate value not exceeding Rs.60,00,00,000/- (Rupees Sixty Crores Only) during the financial year 2023-24, provided that such transaction(s)/contract(s)/arrangement(s)/agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary and expedient, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s)/arrangement(s)/agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director or any other Officer/Authorized Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

For and on behalf of the Board of Directors of
Salora International Limited

Sd/-

Gopal Sitaram Jiwrajka
(Chairman & Managing Director)
DIN : 00024325

Date : May 25, 2023
Place : New Delhi

NOTES

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act') read with other applicable provisions of the Act, setting out the material facts relating to the aforesaid Resolutions and the reasons thereof is annexed hereto and forms part of this Notice.
2. In view of the continuing COVID-19 pandemic, the Extra Ordinary General Meeting (EGM) will be held on Friday, June 30, 2023 at 11.00 a.m. (IST) through Video Conference ("VC")/Other Audio-Visual Means ("OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 read with Ministry of Corporate Affairs' (MCA) General Circular no. 14/2020 dated 8th April, 2020, MCA General Circular no. 17/2020 dated 13th April, 2020, MCA General Circular No. 20/2020 dated 5th May, 2020, MCA General Circular No. 22/2020 dated 15th June, 2020, MCA General Circular No. 02/2021 dated 13th January, 2021 and Circular No. 02/2022 dated 5th May, 2022 and SEBI Circulars dated 12th May, 2021 and 15th January, 2021, Circular No. 02/2022 dated 5th May, 2022 and 10/2022 dated 28th December, 2022 and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The deemed venue for this EGM shall be the Registered Office of the Company i.e. D-13/4, Okhla Industrial Area, Phase-II, New Delhi - 110020.
3. This Notice is being sent by the Company to those Members, whose names appear in the Register of Members/List of Beneficial Owners as received from the Depositories and the Company's Registrars and Transfer Agent ('RTA') as on Friday, June 2, 2023. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off Date i.e., Friday, June 23, 2023. The Notice of EGM in electronic form will be sent to those members who have registered their e-mail address with Depository Participant/Company/RTA.
4. Only those Members whose names are appearing in the Register of Members/List of Beneficial Owners as on the Cut-Off Date i.e., Friday, June 23, 2023 shall be eligible to cast their votes by remote e- voting/Voting at EGM.
5. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and since this EGM is being held through VC/OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. Members have to attend and participate in the ensuing EGM through VC/OAVM. However, the Body Corporate is entitled to appoint Authorized representatives to attend the EGM through VC/OAVM and cast their votes through remote e-voting and e-voting at EGM.
6. Body Corporate whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to Email at sect@salora.com and/or at info@salora.com, a certified copy of the Board Resolution/authorization letter authorizing their representative to attend and vote on their behalf at EGM through E-voting.
7. The Members are advised to join the EGM 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 EGM through VC/OAVM will be made available for 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 and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
8. The attendance of the Members attending the Extra Ordinary General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 & other applicable Circulars issued in respect to e-voting facility, the Company is providing facility of remote E- voting to its Members in respect of the business to be transacted at the Extra Ordinary General Meeting. For this purpose, the Company has decided to facilitate voting through electronic means with National Securities Depository Limited (NSDL), as the authorized agency. The facility of casting votes by a member using remote E-voting system as well as venue voting on the date of the Extra Ordinary General Meeting will be provided by NSDL.
10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the Extra Ordinary General Meeting has been uploaded on the website of the Company at www.salora.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and

the EGM Notice is also available on the website of NSDL (agency for providing the Remote E-voting facility) i.e. www.evoting.nsdl.com.

11. This Extra Ordinary General Meeting is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued in this regard.
12. The Board of Directors has appointed Shri Shivam Rastogi, [Membership No. (FCS) 10704, CP No. 14600], Practicing Company Secretary, as the Scrutinizer to scrutinize the remote voting and e-voting process in fair and transparent manner.
13. All documents referred to in the accompanying Notice shall be kept open for inspection by the Members by writing an e-mail to the Company at sect@salora.com.
14. The Scrutinizer will submit his consolidated report to the Chairman, or any other person authorized by him, after completion of scrutiny of the votes cast, and the result of the voting will be announced by the Chairperson or any other person so authorized in this behalf. The Scrutinizer's decision on the validity of votes cast will be final.
15. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.salora.com after the result is declared by the Company and the same shall be communicated to the Stock Exchange, where the equity shares of the Company are listed viz. BSE Limited and be made available on their website i.e. www.bseindia.com.

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

The remote e-voting period will commence from **Tuesday 27th June, 2023** at 09:00 A.M. (IST) and will remain open till **Thursday, 29th June, 2023** at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Friday, 23rd June, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 23rd June, 2023.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the " Beneficial Owner " icon under " Login " which is available under ' IDeAS ' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " Access to e-Voting " under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select "**Register Online for IDeAS Portal**" or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. 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.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type

Helpdesk details

Individual Shareholders holding securities in demat mode with NSDL

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000

Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:

- a) For Members who hold shares in demat account with NSDL. 8 Character DP ID followed by 8 Digit Client ID
For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
- b) For Members who hold shares in demat account with CDSL. 16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12*****
- c) For Members holding shares in Physical Form. EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.shivamr@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to NSDL Official at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sect@salora.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to sect@salora.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account

maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM 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 in the EGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sect@salora.com. The same will be replied by the company suitably.
6. Those members who have registered themselves as speaker will only be allowed to express their views / ask questions during the meeting.

DECLARATION OF RESULT:

The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the EGM and votes cast through remote e-voting), submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s), invalid votes, if any, with stipulated time from the conclusion of the EGM. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.salora.com. The Company shall simultaneously forward the results to BSE Limited where the securities of the Company are listed. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting.

For and on behalf of the Board of Directors of
Salora International Limited

Date : May 25, 2023
Place : New Delhi

Sd/-
Gopal Sitaram Jiwrajka
(Chairman Managing Director)
DIN : 00024325

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

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, set out the material facts relating to the business mentioned in the accompanying Notice dated May 25, 2023.

ITEM NO. 1-**APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION(S) BETWEEN SALORA INTERNATIONAL LIMITED AND DEVI ELECTRONICS PRIVATE LIMITED**

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended, any transaction with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year, exceeds INR 1,000 crore or 10% of annual consolidated turnover of the company as per the last audited financial statements of the company, whichever is lower and will require prior approval of Members by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Devi Electronics Private Limited ('DEPL') is a 'Related Party' of Salora International Limited (the 'Company') within the meaning of the Companies Act, 2013 and the SEBI Listing Regulations. The Company has existing transactions with DEPL in relation to sale, purchase and supply of Goods/Materials, which are in the ordinary course of business and at arm's length basis. The Company proposes to enter into certain business transactions with DEPL in the form of sale, purchase and supply of Goods/Materials and the estimated value of transaction (existing and proposed) in respect of transactions with M/s. Devi Electronics Private Limited for the financial year 2023-2024 is likely to exceed 10% of the Annual Consolidated turnover of the Company as per the last Audited financial statements of the Company for the financial year ended March 31, 2023 and may exceed the materiality threshold as prescribed under Regulation 23 of the Listing Regulations.

The management has provided the Audit Committee of Directors ('Audit Committee') with the relevant details of the proposed related party transaction including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into Related Party Transactions with DEPL for an aggregate value not exceeding Rs.60,00,00,000/- (Rupees Sixty Crores Only) during the financial year 2023-24. Thus, these transactions would require the approval of the Shareholders by way of Resolution at the General Meeting and therefore approval of the Shareholders is sought to enable the Company for entering into new / further contracts / arrangements / agreements / transactions (including any modifications, alterations, amendments or renewal thereto) with DEPL during the Financial year 2023-2024.

Details of the proposed RPTs between the Company and DEPL, including the information required to be disclosed in the Explanatory Statement pursuant to the Companies Act, 2013 and SEBI Circular no SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 issued in this regard are as follows:

| Sr. No. | Description | Details of proposed RPTs between Salora International Limited (the Company) and Devi Electronics Private Limited ('DEPL') |
|---------|-------------|---|
|---------|-------------|---|

Details of summary of information provided by the management to the Audit Committee:

- | | | |
|----|--|---|
| 1) | Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise); | Devi Electronics Private Limited. The key managerial personnel of the Company exercise significant influence. |
| 2) | Name of the Director or Key Managerial Personnel who is related, if any | ❖ Shri Gopal Sitaram Jiwrajka ❖ Shri Tarun Jiwrajka ❖ Smt. Neetu Jiwrajka |
| 3) | Nature of relationship | Shri Gopal Sitaram Jiwrajka, Shri Tarun Jiwrajka & Smt. Neetu Jiwrajka are Directors in DEPL. |
| 4) | Type, material terms and particulars of the proposed transaction; Tenure of the proposed transaction; Value of the proposed transaction | The Company and DEPL have proposed to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding Rs. 60,00,00,000/- (Rupees Sixty Crores Only): • Sale, Purchase or Supply of any Goods or Materials; |

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| <p>5) The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction</p> <p>6) Justification as to why the RPT is in the interest of the listed entity</p> <p>7) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary</p> <p>8) A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders</p> <p>9) Any other information that may be relevant</p> | <p>The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year i.e. financial year ended 31st March, 2023, that is represented by the value of the proposed transaction is 51.70%.</p> <p>These transactions will enable the Company to scale up its business with increased profitability and revenue as these transactions will yield a higher margin and also ensure lower operating costs and consistently high flow of product without interruptions.</p> <p>NA</p> <p>The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report as applicable shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.</p> <p>All the transactions are at arm's length basis and in the ordinary course of business. The transactions would be based on Purchase Orders issued from time to time.</p> |
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The Board considers that the proposed related party transactions with DEPL, are in the ordinary course of business and at arm's length basis and play a significant role in the Company's business operations and accordingly the Board recommends the Ordinary Resolution as set out in Item No. 1 of this Notice for approval of the Shareholders.

Except Shri Gopal Sitaram Jiwrajka (Managing Director), Shri Tarun Jiwrajka (Whole Time Director & CFO) & Smt. Neetu Jiwrajka (Executive Director) none of the Directors are in any way, concerned or interested, financially or otherwise, in this resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 1 of the Notice, whether the entity is a Related Party to the particular transaction or not.

For and on behalf of the Board of Directors of
Salora International Limited

Sd/-

Gopal Sitaram Jiwrajka
(Chairman & Managing Director)
DIN : 00024325

Date : May 25, 2023
Place : New Delhi