



CIN: L24111UR1985PLC015063

**Registered Office:** Sohan Nagar, P. O. Charubeta, Khatima-262308,  
Distt. Udham Singh Nagar, Uttarakhand

**Phone :** (05943) 250153-57, **Fax No. :** (05943) 250158

**Website :** www.esterindustries.com, **Email :** investor@ester.in

## NOTICE OF EXTRA-ORDINARY GENERAL MEETING

**NOTICE** is hereby given that the **EXTRA-ORDINARY GENERAL MEETING (EGM)** of **ESTER INDUSTRIES LIMITED** will be held on **Friday, 26<sup>th</sup> March, 2021 at 11.00 AM** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), to transact the following businesses-

### **SPECIAL BUSINESS**

#### **ITEM NO. 1**

#### **Approval of Ester Employees Stock Option Plan 2021 and grant of stock options to the Eligible Employees/ Directors of the Company under the Scheme**

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

“**RESOLVED THAT** pursuant to the provisions of Section 62, and other applicable provisions of the Companies Act, 2013 and in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as the “**SEBI SBEB Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**SEBI LODR Regulations**”) (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of any other applicable laws or regulations and such other approval(s), permission(s) and sanction(s) as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority(ies) while granting such approval(s), permission(s) and sanction(s), the approval of the Shareholders of the Company be and is hereby accorded to **Ester Employees Stock Option Plan 2021 (the Scheme/Ester ESOP 2021)** and to Board of Directors of the Company (hereinafter

referred to as the “**Board**”, which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which is designated to act as the “Compensation Committee” under the **SEBI SBEB Regulations**, to exercise its powers including the powers conferred by this Resolution) to adopt, introduce and implement **Ester ESOP 2021**, the salient features of which are detailed in the Explanatory Statement to this resolution, and to create, offer and grant from time to time such number of options to eligible employees of the Company whether working in India or out of India and to Directors of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefits of the stock options under applicable laws and regulations prevailing from time to time, as may be decided by the Nomination & Remuneration Committee under the Plan, exercisable into not more than **8,00,000 (Eight Lakhs)** equity shares of face value of Rs. 5/- (Rupee Five) each fully paid-up, where each Option giving the right but not the obligation to the holder to subscribe to one fully paid-up Equity Share in the Company, of face value of Rs. 5/- (Rupee Five) each, directly by the Company at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board / Nomination & Remuneration Committee in accordance with the provisions of the **Ester ESOP 2021** and in due compliance with the applicable laws and regulations in force.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division or other re-organization of the capital structure of the Company, the Board and or the Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds and things as may

be necessary and which are within the provisions of the applicable laws & regulations, so as to ensure that fair and equitable benefits under **Ester ESOP 2021** are passed on to the Eligible Employees/Directors of the Company and accordingly, if any additional Options are granted by the Company for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling of 8,00,000 (Eight Lakhs) Equity Shares of face value of Rs. 5/- (Rupee Five) each fully paid-up shall deemed to be increased to the extent of such additional number of Options granted.

**RESOLVED FURTHER THAT** the Board and or any committee designated by the Board be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with **Ester ESOP 2021** and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board and or Nomination & Remuneration Committee be and is hereby authorized to modify, change, vary, alter, amend, suspend, withdraw, terminate or revive the **Ester ESOP 2021** at any time, subject to compliance with applicable Laws and to do all such acts, deeds, matters and things, as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members 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, withdrawal, termination or revival of the **Ester ESOP 2021** and to do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, the SEBI SBEB Regulations, the SEBI LODR Regulations and any other applicable Laws in force.

**RESOLVED FURTHER THAT** the Board and or Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds and things, as it may, at its absolute discretion, deems necessary to give effect to this Resolution without being required to seek any further consent or approval of the members, including authorizing or directing the appointment of intermediaries, professionals, experts, independent agencies, any other advisors, consultants or representatives, being incidental to the effective implementation and administration of the **Ester ESOP 2021**, and also to make applications to the appropriate authorities, parties and institutions for their requisite approvals and all

other documents required to be filed in connection with the above, to settle all such questions, difficulties or doubts whatsoever which may arise, to give such directions and/or instructions as may be necessary or expedient and to delegate all or any of its powers to any other Committee of directors and/or any director(s) and/or officer(s) of the Company and/or any other person.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution."

## **ITEM NO. 2**

### **Approval for grant of stock options to the Eligible Employees/ Directors of the Company's subsidiaries under Ester Employee Stock Option Plan - 2021**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62, and other applicable provisions of the Companies Act, 2013 and in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as the **"SEBI SBEB Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **"SEBI LODR Regulations"**) (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of any other applicable laws or regulations and such other approval(s), permission(s) and sanction(s) as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority(ies) while granting such approval(s), permission(s) and sanction(s), the approval of the Shareholders of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which is designated to act as the "Compensation Committee" under the SEBI SBEB Regulations, to exercise its powers including the powers conferred by this Resolution) to extend the scope and coverage of **Ester Employees Stock Option Plan 2021 (the Scheme/Ester ESOP 2021)** and to adopt, introduce and implement **Ester ESOP 2021**, the salient features of which are detailed in the Explanatory Statement to this resolution, and to create, offer and grant from time to time such number of options to eligible employees of the subsidiary(ies) Companies whether working in India

or out of India and to Directors of the subsidiaries (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefits of the stock options under applicable laws and regulations prevailing from time to time, as may be decided by the Nomination & Remuneration Committee under **Ester ESOP 2021**, exercisable into not more than the overall ceiling limit of **8,00,000 (Eight Lakhs)** equity shares of face value of Rs. 5/- (Rupee Five) each fully paid-up, where each Option giving the right but not the obligation to the holder to subscribe to one fully paid-up Equity Share in the Company, of face value of Rs. 5/- (Rupee Five) each, directly by the Company at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board / Nomination & Remuneration Committee in accordance with the provisions of the **Ester ESOP 2021** and in due compliance with the applicable laws and regulations in force.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division or other re-organization of the capital structure of the Company, the Board and or the Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds and things as may be necessary and which are within the provisions of the applicable laws & regulations, so as to ensure that fair and equitable benefits under **Ester ESOP 2021** are passed on to the Eligible Employees/Directors of the Subsidiary(ies) and accordingly, if any additional Options are granted by the Company for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above overall ceiling of 8,00,000 (Eight Lakhs) Equity Shares of face value of Rs. 5/- (Rupee Five) each fully paid-up shall be deemed to be increased to the extent of such additional number of Options granted.

**RESOLVED FURTHER THAT** the Board and or any committee designated by the Board be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with **Ester ESOP 2021** and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board and or Nomination & Remuneration Committee be and is hereby authorized to modify, change, vary, alter, amend, suspend, withdraw, terminate or revive the **Ester ESOP 2021** at any time, subject to compliance with applicable Laws and to do all such acts, deeds, matters and things, as it may deem fit at

its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members 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, withdrawal, termination or revival of the **Ester ESOP 2021** and to do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, the SEBI SBEB Regulations, the SEBI LODR Regulations and any other applicable Laws in force.

**RESOLVED FURTHER THAT** the Board and or Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds and things, as it may, at its absolute discretion, deems necessary to give effect to this Resolution without being required to seek any further consent or approval of the members, including authorizing or directing the appointment of intermediaries, professionals, experts, independent agencies, any other advisors, consultants or representatives, being incidental to the effective implementation and administration of the **Ester ESOP 2021**, and also to make applications to the appropriate authorities, parties and institutions for their requisite approvals and all other documents required to be filed in connection with the above, to settle all such questions, difficulties or doubts whatsoever which may arise, to give such directions and/ or instructions as may be necessary or expedient and to delegate all or any of its powers to any other Committee of directors and/or any director(s) and/or officer(s) of the Company and/or any other person.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution.”

**By Order of the Board of Directors  
For Ester Industries Limited**

Sd/-  
**Diwaker Dinesh  
Head-Legal & Company Secretary  
(Membership No.: A22282)**

Place : Gurugram  
Date : 25<sup>th</sup> February, 2021

## NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No.17/2020 dated 13<sup>th</sup> April, 2020 read with Circular no 39/2020 dated 31<sup>st</sup> December, 2020, issued by the Ministry of Corporate Affairs (MCA Circulars), physical attendance of the Members to the Extra-Ordinary General Meeting (EGM) venue is not required and EGM may be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

Accordingly EGM of the Company will be convened through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in compliance with applicable provisions of the Companies Act, 2013 and MCA Circulars and Members can attend the ensuing EGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and vote through electronic platform during and before the EGM as per the process mentioned in the Notice.

2. Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can 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 serve basis. However, this number does not include the large Shareholders i.e. 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 serve basis.
4. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In line with the MCA Circulars, electronic copy of the Notice of the Extra-Ordinary General Meeting of the

Company inter-alia indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes. The Notice calling the EGM has been uploaded on the website of the Company at – [www.esterindustries.com](http://www.esterindustries.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd 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 the EGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).

6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 for Item No. 1 and 2 of the accompanying Notice, is annexed hereto.
7. Corporate Members intending to attend and vote during the meeting or by Remote e-voting through their authorized representative(s) pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the relevant Board Resolution/ Authority Letter/ Power of Attorney, authorising their representatives at Company's email id viz. [investor@ester.in](mailto:investor@ester.in).
8. Since the EGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
9. The Company is providing facility for voting through electronic means before the date of EGM (Remote e-voting) as prescribed by the Companies (Management and Administration) Rules, 2014 and voting through electronic means during the EGM (E-Poll) available for such Members who are attending the Meeting and have not already cast their vote(s) by Remote e-voting. Information and instructions including details of User ID and password relating to e-voting are provided in the Notice under Note No. 12.
10. The recorded transcript of the forthcoming EGM on 26<sup>th</sup> March, 2021, shall also be made available on the website of the Company [www.esterindustries.com](http://www.esterindustries.com) in the Investor Relations Section, as soon as possible after the Meeting is over.
11. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send communication to shareholders electronically. We therefore, request you to kindly register/update your email ids with your respective depository participant (in case of dematerialized shares) and Company's registrar and share transfer agent (in case of physical shares).



## 12. VOTING THROUGH ELECTRONIC MEANS

Commencement of E-voting	9:00 am 23 <sup>rd</sup> March, 2021
End of E-voting	5:00 pm 25 <sup>th</sup> March, 2021

- I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and the MCA Circulars, the Company is providing facility of remote e-voting before the EGM and E-Poll during the EGM to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency which shall provide an electronic platform to give the facility of casting the votes by the members from a place other than venue of the EGM.
- II. The Members attending the EGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through E-Poll. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the EGM but shall not be entitled to cast their vote again.
- III. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the EGM and prior to the **Cut-off date i.e. 19<sup>th</sup> March, 2021** shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or E-Poll by following the procedure mentioned hereunder.
- IV. The remote e-voting period will commence at **9:00 am 23<sup>rd</sup> March, 2021 and end at 5:00 pm 25<sup>th</sup> March, 2021**. The remote e-voting module shall be blocked by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the **Cut-off date i.e. 19<sup>th</sup> March, 2021**.
- VI. Mr. Akash Jain, Company Secretary in Practice (Membership No. F9617 and COP No. 9432) has been appointed as the Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.
- VII. The Scrutinizer shall immediately after the conclusion of voting at the EGM, unblock the

votes cast through Remote e-voting and E-Poll, in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.

- VIII. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.esterindustries.com](http://www.esterindustries.com) and on the website of CDSL viz. [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The Results shall also be simultaneously forwarded to the National Stock Exchange of India Limited, BSE Limited. The result of the voting, with details of the number of votes cast for and against the Resolution, invalid votes and whether the Resolution has been carried or not shall also be displayed on the Notice Board of the company at its Registered Office and its Head Office.

### IX. PROCESS AND MANNER FOR REMOTE E-VOTING

The instructions for members for voting electronically are as under:-

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on Shareholders/ Members.
  - (iii) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- or
- alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (iv) Next enter the Image Verification as displayed and Click on Login.
  - (v) If you are holding shares in demat form and had logged onto [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your

existing password is to be used.

- (vi) If you are a first time user or holding share in physical form follow the steps given below:

For Members holding shares in Demat Form and Physical Form.

PAN*	Enter your 10 digit alphanumeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  <i>*Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field which is provided in the email along with the Notice of EGM.</i>
Dividend Bank Details or Date of Birth (DOB)#	Enter the Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login  #If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN of Ester Industries Limited.

- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Shareholders can also cast their vote using CDSL's mobile app M-Voting. The M-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from respective Stores. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xviii) **Note for Non – Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account (s) for which they wish to vote on. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney

(POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email id [investor@ester.in](mailto:investor@ester.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **13. INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM (E-POLL)**

- I. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting in Note No. 12.
- II. Only those shareholders, who are 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-Poll available during the EGM.
- III. If Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- IV. Shareholders 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.

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

- I. Members holding shares in physical form and whose email addresses are not registered, may get their email ids registered by submitting necessary details like Folio No., Name of shareholder along with scan copy of any one valid share certificate (front and back both), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) by email to [info@masserv.com](mailto:info@masserv.com)

- II. Members holding shares in dematerialised form and whose email addresses are not registered can get their e-mail id registered by contacting their respective Depository Participant. The Demat shareholders may obtain the login credential by providing Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) to RTA email id at [info@masserv.com](mailto:info@masserv.com)

The login credentials for casting the votes through e-voting would be provided to the Members (holding shares in physical form or dematerialised form) at their e-mail addresses registered for this purpose.

### **15. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM**

- I. Members will be provided with a facility to attend the EGM through VC/OAVM or view the live webcast of EGM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders'/ members' login by using the remote e-voting credentials as mentioned above for Remote e-voting in Note No. 12. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
- II. Facility of joining the EGM through VC / OAVM shall be opened 15 minutes before and after the scheduled time of the commencement of the EGM and will be available for Members on first come first serve basis.
- III. Members are encouraged to join the Meeting through Laptops for better experience.
- IV. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- V. 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.
- VI. Members who would like to express their views or ask questions during the EGM must register themselves as a speaker by sending their request from their registered email address mentioning

their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at [investor@ester.in](mailto:investor@ester.in) at least 7 days before the start of the EGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EGM.

- VII. The shareholders who do not wish to speak during the EGM/ who have not registered themselves, but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investor@ester.in](mailto:investor@ester.in). These queries will be replied by the company suitably by email or during the Meeting.
16. The Resolution, if passed by a requisite majority, shall be deemed to have been passed on the date of the EGM.
17. In case you have any queries or issues regarding e-voting and/or attending the EGM through VC/ OAVM facility, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or you may contact Mr. Nitin Kunder (022-2305 8738) or Mr. Mehboob Lakhani (022-2305 8543) or Mr. Rakesh Dalvi (022-2305 8542) or at Central Depository Services (India) Limited (CDSL), at A Wing, 25th Floor, Marathon Futorex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
18. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the Registered office address or Head Office address or e-mail their grievances/ queries to the Company Secretary as detailed below –

**Registered Office:**

Sohan Nagar, PO Charubeta, Khatima-262308  
Distt. Udham Singh Nagar, Uttarakhand

**Head Office:**

Plot No. 11, Block-A, Infocity-I, Sector 34,  
Gurugram - 122001, Haryana

**Email Id:** [investor@ester.in](mailto:investor@ester.in)

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

**ITEM 1 & 2**

In the views of the Company, equity based compensation plan is an integral part of employee compensation across sectors which enables alignment of personal goals of the employee with organizational objectives by participating in the ownership of the company through share based compensation plans.

An employee stock option scheme, designed to foster a sense of ownership and belonging amongst personnel, is a well accepted approach to this end. It is, therefore, appropriate to consider an Employee Stock Option Scheme for the employees of the Company and its existing or future subsidiary company(ies).

The Company intends to attract, reward, motivate and retain employees/directors of the Company and its existing or future subsidiary companies, in or outside India, for their high level of individual performance and for their efforts to improve the overall performance of the Company with the objective of achieving sustained growth of the Company and creation of shareholder's value by aligning the interests of the eligible employees/ directors with the long-term interests of the Company.

Accordingly, the Nomination and Remuneration Committee of the Board of Directors (hereinafter may be referred as "NR Committee") and the Board of Directors of the Company at their respective meetings held on 25<sup>th</sup> February, 2021 had approved the introduction of **Ester ESOP 2021** subject to your approval.

In terms of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Company seeks your approval as regards implementation of **Ester ESOP 2021** and grant of options thereunder to the eligible Employees/Directors of the Company, its subsidiary company(ies), in or outside India, as decided from time to time as per provisions of **Ester ESOP 2021**.

The terms of the Scheme are as follows:

**1. Brief description of the Scheme**

Keeping in view the aforesaid objectives, the **Ester ESOP 2021** contemplates grant of options to the eligible employees of the Company, its Subsidiary Company(ies), in or outside India. After vesting of options, the eligible employees earn a right, but not obligation, to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.



The NR Committee shall act as Compensation Committee for the administration of **Ester ESOP 2021**. All questions of interpretation of the **Ester ESOP 2021** shall be determined by the NR Committee and such determination shall be final and binding upon all persons having an interest in **Ester ESOP 2021**.

## **2. Total Number of Options to be granted**

The total number of Options will not exceed 8,00,000 (Eight Lakhs), which will be available for grant to eligible employees/Directors of the Company/Subsidiary(ies) under **Ester ESOP 2021**. Each option (after it is vested) will be exercisable for one Equity share of Rs. 5/- (Rupee Five) each fully paid-up. Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation of the employees or otherwise would be available for being re-granting at a future date.

In case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division or other re-organization of the capital structure of the Company, a fair and reasonable adjustment shall be made to the options granted.

The options granted to an employee shall not be transferred, pledged, hypothecated, mortgaged or otherwise alienated in any manner.

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

The following employees would be entitled to participate in Ester ESOP Plan 2021:

- a) Permanent employees of the Company working in India or out of India;
- b) Directors of the Company;
- c) An employee as defined in clause (a) or (b) of a subsidiary, in India or outside India, of the company.
- d) any other person who may be permitted under applicable laws and as may be approved by the Board from time to time.

Following persons are not eligible:

- a) An employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director

The NR Committee will determine the specific employees or class of employees who will be eligible

for award of stock options based on the performance criteria and such other criteria as may be decided.

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

Vesting of the options shall take place over a maximum period of 6 (Six) years from the date of grant. The NR Committee at the time of grant may specify certain criteria linked to the individual and/or organisational performance or any other criteria as it may deem fit for all or a part of the Options, the fulfilment of which might be a requisite for the options to vest. The minimum vesting period will be 1 (One) year from the date of grant.

## **5. Maximum Period in which the Options will be vested**

Vesting of the options shall take place over a maximum period of 6 (Six) years from the date of grant.

## **6. Exercise Price**

The Exercise Price would be decided by the NR Committee subject to compliance with the provisions of the SEBI (Share Based Employee Benefits) Regulation, 2014, in the NR Committee's meeting on the date of Grant. Such exercise price will be intimated to the eligible employee at the time of grant of options to them. The Exercise price shall not exceed the fair market value as on the date of Grant and shall not be lower than the Face Value of the share.

The Company may reprice the unexercised Options, whether or not such Options have been vested, if there is a fall in the share price in the market which renders the Grant price unattractive.

However, the Company will ensure that such repricing should not be detrimental to the interest of the employees and the approval of the shareholders of the Company in a General Meeting has been obtained for such repricing.

## **7. Exercise Period and Process**

The Exercise period shall commence from the date of vesting of Options. The Exercise period shall be decided by the NR Committee subject to a maximum period of 10 (Ten) years from the date of grant of options.

The options shall be exercisable by the employees by a written application or through any mode as may be prescribed by the NR Committee, to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the NR Committee.

**8. The appraisal process for determining the eligibility of employees for the scheme(s);**

The appraisal process for determining the eligibility of the employee will be specified by the NR Committee, and may be based on criteria such as seniority of employee, length of service, past performance record, merit of the employee, future potential contribution by the employee and/or such other criteria that may be determined by the NR Committee.

**9. Lock-in period, if any;**

The shares arising out of exercise of vested options under **Ester ESOP 2021** would not be subject to any lock-in-period after such exercise, except if any lock-in is required pursuant to applicable law.

**10. Maximum number of options to be issued per employee and in aggregate**

The NR Committee will decide the maximum number of options to be granted per employee and in aggregate. The in aggregate number of options under **Ester ESOP 2021** shall not exceed 8,00,000 (Eight Lakhs).

**11. Maximum quantum of benefits to be provided per employee under the Scheme**

The maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the market price of the equity shares as on the date of sale of equity shares arising out of exercise of options.

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

**Ester ESOP 2021** shall be implemented and administered directly by the Company, under the superintendence of the NR Committee.

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

**Ester ESOP 2021** will involve issue of new shares by the Company and will not involve any secondary acquisition

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

Not Applicable

**15. Maximum percentage of secondary acquisition (subject to limits specified under the regulations)**

**that can be made by the trust for the purposes of the scheme(s)**

Not Applicable

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

The Company shall follow the Guidance as mentioned under the 'Indian Accounting Standard (Ind AS) 102 Share-based Payment' or the relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.

In case, the existing guidance note or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations.

**17. Method which the company shall use to value its options**

The Board and or NR Committee shall determine from time to time the valuation and accounting methodology for the options issued under **Ester ESOP 2021** as per changes in the applicable law. The company shall comply with all the relevant disclosures as per the applicable laws.

**18. Conditions under which option vested in employees may lapse**

Vested options may lapse due to non-exercise of options within exercise period or where termination of employment is for cause, then all options vested (but not exercised) or unvested, shall stand cancelled. Cause shall mean, as determined by the NR Committee, which shall include but will not be limited to the points as defined in **Ester ESOP 2021** document. All decisions made by the NR Committee in determining the cause and subsequent actions shall be final and binding on the employees

**19. Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee**

Due to voluntary resignation on the part of the Grantee, all vested options have to be exercised within a period of 1 months from the day of submitting the resignation but prior to the Employee ceasing to be in the employment of the Company, post which they will

be considered lapsed. All unvested options will lapse immediately upon the submission of resignation.

In case of termination without cause, all unvested options will lapse immediately on the date when the notice for termination is given to the employee. All vested options need to be exercised within 1 month from the date such notice is given, but prior to the Employee ceasing to be in the employment of the Company, post which they will be considered lapsed.

## 20. Declaration

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 ("EPS") of the company shall also be disclosed in the Directors' report.

Consent of the Members are being sought by way of special resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013

and as per Regulation 6 of the SEBI SBEB Regulations.

The Board recommends the special resolutions as set out in item nos. 1 & 2 of this Notice for the approval of the Members, by way of Extra-Ordinary General Meeting of the Shareholders, in the interest of the Company.

None of the Directors, Key Managerial Personnel of the Company and/ or their relatives are concerned or interested, in any way, in the proposed resolutions, except to the extent that they may be granted options lawfully under the **Ester ESOP 2021**.

**By Order of the Board of Directors  
For Ester Industries Limited**

Sd/-  
**Diwaker Dinesh**  
**Head-Legal & Company Secretary**  
**(Membership No.: A22282)**

Place : Gurugram

Date : 25<sup>th</sup> February, 2021