



# **34<sup>th</sup> Annual Report**

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## **2019-20**

**ESTER INDUSTRIES LIMITED**

## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	MR. ARVIND SINGHANIA MR. ASHOK KUMAR NEWATIA MR. M. S. RAMACHANDRAN DR. ANAND CHAND BURMAN MR. P. S. DASGUPTA MR. SANDEEP DINODIA MRS. PADAMAJA SHAILEN RUPAREL MRS. ARCHANA SINGHANIA MR. PRADEEP KUMAR RUSTAGI	CHAIRMAN & CEO INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR NON - EXECUTIVE DIRECTOR EXECUTIVE DIRECTOR & CFO
<b>COMPANY SECRETARY</b>	MR. DIWAKER DINESH	
<b>STATUTORY AUDITORS</b>	M/S WALKER CHANDIOK & CO. LLP, GURGAON	
<b>LENDERS</b>	BANK OF INDIA BANK OF BARODA UNION BANK OF INDIA CANARA BANK STATE BANK OF INDIA TATA CAPITAL FINANCIAL SERVICES LIMITED	
<b>HEAD OFFICE</b>	PLOT NO. 11, BLOCK-A, INFOCITY-I, SECTOR 33 & 34, GURGAON-122001, HARYANA	
<b>REGISTERED OFFICE &amp; WORKS</b>	SOHAN NAGAR, P.O. CHARUBETA KHATIMA – 262 308, DISTRICT UDHAM SINGH NAGAR UTTARAKHAND	
<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>	MAS SERVICES LIMITED T-34, OKHLA INDUSTRIAL AREA, PHASE-II NEW DELHI – 110 020	
<b>LISTING OF SECURITIES</b>	BSE LIMITED NATIONAL STOCK EXCHANGE OF INDIA LTD.	

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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 AGM

**NOTICE** is hereby given that the **34<sup>th</sup> ANNUAL GENERAL MEETING (AGM)** of ESTER INDUSTRIES LIMITED will be held on **Friday, 28<sup>th</sup> August, 2020 at 11:00 AM** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following businesses-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 together with the reports of Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2020.
3. To appoint a Director in place of Mr. Arvind Singhania (DIN 00934017) who retires by rotation and being eligible, offers himself for re-appointment;

### SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification(s) the following resolutions:

#### As Ordinary Resolution

#### 4. RATIFICATION OF REMUNERATION OF COST AUDITOR

"**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), a Remuneration of Rs. 3,50,000/- (Rupees Three Lacs Fifty Thousands Only) plus applicable taxes and out of pocket expenses payable to M/s. R. J. Goel & Co. (Regn. No. 00026), the Cost Auditors appointed by the Board of Directors to conduct the audit of the cost records of the Company for the financial year 2020-21, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby approved and ratified."

#### 5. APPOINTMENT OF MRS. PADMAJASHAIEN RUPAREL AS INDEPENDENT DIRECTOR OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (the "Act") and the rules framed thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any

amendment thereof) Mrs. Padmaja Shailen Ruparel (DIN 01383513), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> April, 2020, in terms of Section 161(1) of the Act and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to 31st March, 2025.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign such documents or papers as may be necessary, file such applications, forms and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable to give effect the above resolutions."

#### As Special Resolution

#### 6. RE-APPOINTMENT OF MR. ARVIND SINGHANIA AS MANAGING DIRECTOR OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval of Central Government, if required, Mr. Arvind Singhania (DIN 00934017) be and is hereby re-appointed as "Managing Director" and designated as "Chairman and CEO", on the terms and conditions mentioned below-

#### A) PERIOD OF RE-APPOINTMENT

From 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023.

#### B) DETAILS OF REMUNERATION

1. Basic Salary – Rs. 12,00,000/- per month with such revision as the Board may decide from time to time, subject however to a ceiling of Rs. 17,00,000/- per month
2. House Rent Allowance – Rs. 6,00,000/- per month with such revision as the Board may decide from time to time, subject however to a ceiling of Rs. 8,50,000/- per month
3. Special Allowance – Rs. 6,00,000/- per month with such increments as the Board may decide from time

to time, subject however to a ceiling of Rs. 13,00,000/- per month

4. Leave Travel Allowance – Rs. 12,00,000/- per year with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 17,00,000/- per year
5. Provident Fund – 12% of Basic Salary or such other amount as may be prescribed by the provision of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 or any other applicable law (including any statutory modification or re-enactment thereof, for the time being in force).
6. Gratuity shall be payable as per the provisions of the Payment of Gratuity Act, 1972 or any other applicable law (including any statutory modification or re-enactment thereof, for the time being in force).
7. Club membership fee and company maintained car with Driver shall be provided by the Company for official and personal use.
8. Reimbursement for expenses pertaining to Business Meeting and entertainment, traveling and all other expenses incurred by him for the business of the Company as per the policy of the Company
9. Apart from the above, Mr. Arvind Singhania shall be entitled to such other reimbursements, allowances, incentives, perquisites, amenities and benefits as per the rules/policy of the Company or as the Board may decide from time to time.

The perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

**Commission** – Pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), Commission may be paid in addition to above remuneration calculated with reference to the net profits of the company in a particular year, as may be determined by the Board of Directors of the Company. The overall remuneration including commission as determined by the Board may exceed the prescribed limits of remuneration under the applicable laws.

**Sitting Fees** - Mr. Arvind Singhania shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Directors.

**Retirement by Rotation** - The period of office of Mr. Arvind Singhania shall be liable for determination by way of retirement by rotation.

**RESOLVED FURTHER THAT** in the absence or inadequacy of the profits also in any financial year, Mr. Arvind Singhania will be entitled to receive above-stated remuneration in

accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to increase remuneration of appointee and review, alter or vary designation and other terms and conditions of appointment of the appointee, as mutually agreed with Mr. Arvind Singhania, at the recommendation of Nomination and Remuneration Committee on annual basis or at such time when recommended by the Nomination and Remuneration Committee.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign such documents or papers as may be necessary, file such applications, forms and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable to give effect the above resolutions."

#### **7. RE-APPOINTMENT OF MR. PRADEEP KUMAR RUSTAGI AS WHOLE-TIME DIRECTOR OF THE COMPANY**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to the approval of Central Government, if required, Mr. Pradeep Kumar Rustagi (DIN 00879345) be and is hereby re-appointed as "Whole-time Director" and designated as "Executive Director & CFO" on the terms and conditions mentioned below—

#### **A) PERIOD OF RE-APPOINTMENT**

From 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2023.

#### **B) DETAILS OF REMUNERATION**

1. Basic Salary – Rs 3,33,500/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 5,00,000/- per month
2. House Rent Allowance – Rs. 1,66,750/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 2,50,000/- per month
3. Special Allowance – Rs. 2,20,730/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs 4,00,000/- per month
4. Leave Travel Allowance – Rs. 1,50,000/- per year with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 5,00,000/- per year
5. Encashment of leave as per the policy of the Company.
6. Company's contribution to Provident Fund, Superannuation Fund, as per Company Policy applicable time to time.
7. Gratuity shall be payable as per the provisions of the Payment of Gratuity Act, 1972 or any other



applicable law (including any statutory modification or re-enactment thereof, for the time being in force).

8. Reimbursement for expenses pertaining to Business attire, Business Meeting and entertainment, traveling and all other expenses incurred by him for the business of the Company as per the policy of the Company
9. Company maintained car with Driver shall be provided by the Company for official and personal use.
10. Performance Linked Incentives as per the policy of the Company as applicable time to time.
11. Apart from the above, Mr. Pradeep Kumar Rustagi shall be entitled to such other reimbursements, allowances, incentives, perquisites, amenities and benefits as per the policy of the Company as applicable on employees of the Company from time to time or any other allowance, perquisites as the Board may decide from time to time.

**Commission** – Pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), Commission may be paid in addition to above remuneration calculated with reference to the net profits of the company in a particular year, as may be determined by the Board of Directors of the Company. The overall remuneration including commission as determined by the Board may exceed the prescribed limits of remuneration under the applicable laws.

**Sitting Fees** - Mr. Pradeep Kumar Rustagi shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Directors.

**Retirement by Rotation** - The period of office of Mr. Pradeep Kumar Rustagi shall be liable to be determined by retirement by rotation.

**RESOLVED FURTHER THAT** in the absence or inadequacy of the profits also in any financial year, Mr. Pradeep Kumar Rustagi will be entitled to receive above-stated remuneration in accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to increase remuneration of appointee and review, alter or vary designation and other terms and conditions of appointment of the appointee, as mutually agreed with Mr. Pradeep Kumar Rustagi, at the recommendation of Nomination and Remuneration Committee on annual basis or at such time when recommended by the Nomination and Remuneration Committee.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign such documents or papers as may be necessary, file such applications, forms and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable to give effect the above resolutions.”

## 8. RE-APPOINTMENT OF MR. AYUSH VARDHAN SINGHANIA AS HEAD – MARKETING & BUSINESS DEVELOPMENT

**“RESOLVED THAT** pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013, along with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, or any amendment or substitution thereof, approval of the Shareholders be and is hereby accorded for appointment of Mr. Ayush Vardhan Singhania (son of Mr. Arvind Singhania, Chairman & CEO and Mrs. Archana Singhania, Non-Executive Director) to hold office as ‘Head – Marketing & Business Development’ (or any other designation and roles which the Board may decide time to time) on the following terms and conditions –

- a. **Period of Appointment:** 5 years from 1st October, 2020 to 30th September, 2025
- b. **Details of Remuneration:** Rs. 6,00,000/- (Rs. Six Lacs only) per month

The total amount payable as Basic Salary, Special Allowance, House Rent Allowance and other benefits like Contribution to Provident Fund, Superannuation Fund and such other allowances, incentives, perquisites, benefits and amenities as may be provided by the Company to other employees in that grade from time to time should not exceed the remuneration of Rs. 6,00,000/- (Rs. Six Lacs only) per month.

In addition to the above remuneration, Gratuity shall be payable as per the provisions of the Payment of Gratuity Act, 1972 or any other applicable law (including any statutory modification or re-enactment thereof, for the time being in force).

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to increase remuneration of appointee and review, change designation and other terms and conditions of appointment of the appointee at the recommendation of Nomination and Remuneration Committee on annual basis or at such time when recommended by the Nomination and Remuneration Committee.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to sign and execute such documents/ writings or other papers as may be necessary and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable, expedient or incidental for the purpose and to settle any question, difficulty or doubt that may arise in 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 : 15<sup>th</sup> July, 2020

## 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 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 5th May, 2020, physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and AGM may be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

Accordingly AGM 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 read with MCA Circular No. 14/2020 dated 8th April, 2020, MCA Circular No. 17/2020 dated 13th April, 2020 and MCA Circular No. 20/2020 dated 5th May, 2020 and Members can attend the ensuing AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and vote through electronic platform during the Meeting.

2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available 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 AGM without restriction on account of first come first serve basis.
4. The attendance of the Members attending the AGM 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 Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, electronic copy of the Notice of the 34<sup>th</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes. The Notice calling the AGM has been uploaded on the website of the Company at – <http://www.esterindustries.com/investors/financial-reports/annual-report>, as part of the Annual Report for financial year 2019-20. 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 AGM 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. Additional information pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/ re-appointment as mentioned under item no. 3, 5, 6 and 7 at the Annual General Meeting forms part of this Notice.
7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 for Item Nos. 4 to 8 of the accompanying Notice, is annexed hereto.
8. Corporate Members intending to attend and vote during the meeting or by Remote e-voting through their authorised 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).
9. The Register of Member and Share Transfer Books will remain closed from **Saturday, 22<sup>nd</sup> August, 2020 to Friday, 28<sup>th</sup> August, 2020 (both days inclusive)** for the purpose of Annual General Meeting and ascertaining the list of shareholders eligible for the Dividend.
10. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
11. If dividend on Equity Shares, as recommended by the Board, is approved at the Annual General Meeting, the Payment of such dividend will be made before **Saturday, 26<sup>th</sup> September 2020** as under:
  - (i) to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as at the end of business hours on 21<sup>st</sup> August, 2020.
  - (ii) to all Members in respect of Shares held in physical form, after giving effect to valid share transfers lodged with the Company on or before 21<sup>st</sup> August, 2020.
12. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the rates prescribed under the Act. For the prescribed rates for various categories, the shareholders are requested to refer to the Income Tax Act, 1961. The shareholders are requested to update their Permanent Account Number (PAN) with the Company/ Registrar and Transfer Agent (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to Company at [investor@ester.in](mailto:investor@ester.in) /Registrar and Transfer Agent at [info@masserv.com](mailto:info@masserv.com) latest by 18th August, 2020. Shareholders are requested

to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, any other document which may be required to avail the tax treaty benefits by sending an email to Company at [investor@ester.in](mailto:investor@ester.in) /Registrar and Transfer Agent at [info@masserv.com](mailto:info@masserv.com). The aforesaid declarations and documents need to be submitted by the shareholders latest by 18th August, 2020. Incomplete and/or unsigned forms and declarations will not be considered by the Company

Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company/ Registrar and Transfer Agent. It may further be noted that in case the tax on said dividend is deducted at a higher rate, there would still be an option available with the shareholders to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax compliances and consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

Any communication/document as stated aforesaid received after 18th August, 2020 shall not be considered for the purpose of tax deduction. In case of any query regarding this, you may contact to Registrar and Transfer Agent viz Mas Services Limited at T-34, Okhla Industrial Area, Phase-II, New Delhi-110020; Email id – [info@masserv.com](mailto:info@masserv.com)

13. In case of Joint holders attending the meeting, only such Joint holder who is higher in the order of names will be entitled to vote.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the accompanying Notice and the Explanatory Statement will be available for inspection during the Meeting.
15. The Company is providing facility for voting through electronic means before the date of AGM (Remote e-voting) as prescribed by the Companies (Management and Administration) Rules, 2014 and voting through electronic means during the AGM (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. 26.

#### 16. **Members are requested to notify immediately:**

- I. **In case shares are held in physical form:** any change in address, if any, to the Registrar and Share Transfer Agent (RTA) of the Company viz. MAS Services Limited, T-34, Okhla Industrial Area, Phase II, New Delhi- 110 020, India quoting their folio number.
- II. **In case shares are held in dematerialised form:** any change in address, if any, to their Depository Participants
- III. Members holding shares in physical mode and who have not opted for ECS facility earlier for payment of dividend are requested to fill up and sign the NECS Mandate form enclosed with Annual Report or by submitting a request letter containing the details like Folio No., Name and Address of the Shareholder, particulars of the bank account (Bank name, Branch address, Bank account no, IFSC Code, MICR no) and send it to the RTA of the Company viz MAS Services Limited, T-34, Okhla Industrial Area, Phase-II, New Delhi-110020 along with the self-attested copy of PAN and cancelled cheque leaf, so as to avail the ECS facility. Members holding shares held in dematerialized form, are required to update the bank account particulars with their respective Depository Participant.
- IV. Process for those members whose email ids and mobile number are not registered:
  - a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder, mobile number along with scan copy of any one valid share certificate (front and back both) by email to [info@masserv.com](mailto:info@masserv.com)
  - b) Members holding shares in dematerialised form can get their e-mail id and mobile number registered by contacting their respective Depository Participant.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
18. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13.  
  
Further, Members desirous of cancelling/ varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the RTA of the Company.
19. Members holding shares under multiple folios are requested to submit their applications to RTA of the Company for consolidation of folios into a single folio.
20. The recorded transcript of the forthcoming AGM on 28<sup>th</sup> August, 2020, 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.

21. 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) as stated in Note no 16.
22. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form and PAN is not registered till date are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to RTA of the Company. viz. MAS Services Limited, T-34, Okhla Industrial Area, Phase II, New Delhi- 110 020.
23. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 1st April, 2019.

In view of the above, members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares, for ease of portfolio management and to avail various benefits of dematerialisation. Members can contact the Company or RTA for assistance in this regard.

24. In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/update your correct bank account details with the Company/RTA/ Depository Participant, as the case may be.
25. Pursuant to provisions of Section 124 and Section 125 of the Companies Act, 2013 and rules made thereunder, all the dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. No dividend was required to be transferred to IEPF during the year under review.

Members who have not yet encashed their dividend warrants for the financial year 2013-14 (final dividend) and 2018-19 (final dividend) are requested to make their claims to the Company immediately. Members may note that no claim shall lie against the Company in respect of dividend which remain unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.

The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 31<sup>st</sup> March, 2019 and the details of unclaimed shares on the

website of the Company viz. [www.esterindustries.com](http://www.esterindustries.com) and also on the website of the Ministry of Corporate Affairs viz. [www.iepf.gov.in](http://www.iepf.gov.in) Shareholders may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company.

In terms of Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are required to be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPF Authority) within a period of thirty days of such shares becoming due to be so transferred. Accordingly, equity shares which were/ are due to be so transferred, have been/ shall be transferred by the Company to the Demat Account of IEPF Authority.

Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPF Authority and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

In view of above, Members are requested to claim their dividends from the Company, within the stipulated timeline to avoid transfer of the underlying shares to the IEPF Account. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) or on the following link:

<http://www.iepf.gov.in/IEPF/refund.html>

## 26. VOTING THROUGH ELECTRONIC MEANS

Commencement of E-voting	9:00 AM 25 <sup>th</sup> August, 2020
End of E-voting	5:00 PM 27 <sup>th</sup> August, 2020

- 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 Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting before the AGM and E-Poll during the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized 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 AGM.
- ii. The Members attending the AGM 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 AGM 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 AGM and prior to the **Cut-off date i.e. 21<sup>st</sup> August, 2020** 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 commences at **9:00 AM 25<sup>th</sup> August, 2020 and ends at 5:00 PM 27<sup>th</sup> August, 2020**. 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. 21<sup>st</sup> August, 2020**.
- 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.

The Scrutinizer shall immediately after the conclusion of voting at the AGM, 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.

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.

#### THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE AS UNDER:

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 alpha-numeric 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 Annual Report.</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.

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.

**27. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM (E-POLL) ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting in Note No. 26.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Poll available during the AGM.
3. If Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**28. 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:**

- Physical shareholders- please provide necessary details like 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 Aadhaar Card) by email to RTA / Company email id at [info@masserv.com](mailto:info@masserv.com) or [investor@ester.in](mailto:investor@ester.in)
- Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) to RTA / Company email id at [info@masserv.com](mailto:info@masserv.com) or [investor@ester.in](mailto:investor@ester.in).

**29. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM 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. 26. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before and after the scheduled time of the commencement of the AGM and will be available for Members on first come first serve basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.