

37th | ANNUAL
REPORT
2022-23

ESTER INDUSTRIES LIMITED

CORPORATE INFORMATION

Board of Directors	Mr. Arvind Singhanian Mr. Ashok Kumar Newatia Mr. M. S. Ramachandran Dr. Anand Chand Burman Mr. P. S. Dasgupta Mr. Sandeep Dinodia Mrs. Padmaja Shailen Ruparel Mrs. Archana Singhanian Mr. Pradeep Kumar Rustagi Mr. Ayush Vardhan Singhanian	Chairman & CEO Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Non - Executive Director Executive Director-Corporate Affairs Whole-time Director
Chief Financial Officer	Mr. Sourabh Agarwal	
Company Secretary & Compliance Officer	Ms. Poornima Gupta	
Statutory Auditors	M/s Walker Chandiok & Co. LLP, Gurgaon	
Lenders	Bank of India Bank of Baroda Canara Bank HDFC Bank Limited IDFC First Bank Limited Tata Capital Financial Services Limited Karnataka Bank Limited Bajaj Finance Limited Axis Finance Limited Qatar National Bank Shinhan Bank	
Head Office	Plot No. 11, Block-A, Infocity-I, Sector -34, Gurgaon-122001, Haryana	
Registered Office	Sohan Nagar, P.O. Charubeta Khatima – 262 308, District Udham Singh Nagar, Uttarakhand	
Registrar & Share Transfer Agent	Mas Services Limited T-34, Okhla Industrial Area, Phase-II New Delhi – 110 020	
Listing of Securities	BSE Limited National Stock Exchange of India Ltd	

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MESSAGE FROM CHAIRMAN & CEO



Dear shareholders,

It is with great pleasure that I present to you the annual report for the fiscal year 2022-23. Over the past three years, as the world recuperated from the unprecedented trials posed by the Covid-19 pandemic, it also faced geopolitical conflicts in the previous year. These conflicts introduced a new set of challenges, including global tensions, disruptions in supply chains, escalating energy costs, surging inflation, and assertive monetary and fiscal policies.

Despite the various measures taken to address these challenges, our company's performance was affected. The combined revenue from ongoing and discontinued operations amounted to ₹1,213 crores with ₹197.5 crores from the Specialty Polymers business and 916.6 crores from the Polyester chips and Film business. EBITDA stood at ₹136 crores, down from ₹252 crores in the preceding year.

Our Specialty Polymer division exhibited growth, achieving a 14% increase in revenue with profitability in absolute terms almost in line with FY22. While H1FY23 turned out to be very good, H2FY23 was impacted by headwinds caused by recessionary trends in the US. It is expected that the performance of this division will continue to be affected for the next 2-3 quarters, pending an economic recovery in the USA. Nonetheless, the business holds promising prospects due to the introduction of innovative products that have already been launched, as well as

those expected to enter the market soon. Our dedicated R&D team's continuous efforts to enhance our innovation pipeline and processes have enabled the development of a robust product portfolio.

The Film business faced challenges during FY 22-23 due to demand-supply imbalance, higher input prices, and the temporary shutdown of Film Plant#3 caused by a breakdown in the continuous polymerization process for a month. While margins may experience pressure in the short to medium term due to capacity expansion, the long-term outlook for the business remains favorable. Ester's goal is to elevate the proportion of value-added and specialty products in the overall product mix to 30%, driven by the implementation of an additional offline coater, as well as ongoing innovation and R&D initiatives.

A major achievement during this period was the commencement of commercial production by Ester Filmtech Limited, a wholly-owned subsidiary of Ester Industries Limited, on 20th January, 2023. This new manufacturing plant, located in Telangana, produces Polyester Film with a capacity of 48 KTPA and Metallized Polyester Film with a capacity of 10 KTPA. In FY23, the plant generated a revenue of ₹49 crores and it is anticipated to contribute approximately ₹500 crores in revenue upon reaching optimal utilization.

As part of our strategic direction, Ester has divested its Engineering Plastic business to Radici Plastics India Private Limited through an all-cash transaction amounting to ₹263 crores. This move significantly enhances our cash reserves and debt servicing capabilities, enabling us to focus on the expansion of our specialty polymers and film businesses.

As the forefront runner in the market, it is incumbent upon us to prioritize sustainability endeavors. We are committed to persistently developing films that leave a reduced environmental impact. Our objective is to nurture the concept of the 'Circular Economy,' actively reintegrating waste materials into the economic cycle.

We remain confident that all of our business divisions are well-positioned to embark on their next phase of growth. Our company is committed to enhancing operational efficiency through digital innovations, Business Process Re-engineering, and data analytics to prepare for future opportunities and challenges. At the core of our mission is the creation of value for our customers and stakeholders, driven by our commitment to innovation and the strengthening of our product portfolio.

On behalf of the board and management, I express sincere gratitude to our shareholders, investors, partners, and institutions for their continued support. I am confident that our strategic approach will yield lasting and sustainable value for all of our stakeholders.

With regards
Arvind Kumar Singhania
Chairman & CEO

NOTICE OF AGM

NOTICE is hereby given that the **37th ANNUAL GENERAL MEETING ("AGM")** of **ESTER INDUSTRIES LIMITED** will be held on **Wednesday, 27th September, 2023 at 12:00 Noon (IST)** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Reports of Board of Directors and Auditors thereon.
2. To declare the final dividend of ₹ 0.50/- per equity share of ₹ 5/- each for the financial year ended 31st March, 2023.
3. To appoint a Director in place of Mrs. Archana Singhania (DIN 01096776) who retires by rotation and being eligible, offers herself for re-appointment;

SPECIAL BUSINESS

4. Ratification of Remuneration of Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. R. J. Goel & Co., Cost Accountants (Firm Registration. No. 00026), appointed by Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2023-24 amounting to ₹3,50,000/- (Rupees Three Lacs Fifty Thousand Only) plus applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified."

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

**Sd/-
Poornima Gupta
Company Secretary and Compliance Officer
M. No.: A49876**

Place: Gurugram

Date: 11th August, 2023

NOTES

1. The relevant Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), relating to the Special Business to be transacted at this AGM, and details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"] and Secretarial Standard 2 on General Meetings issued by The Institute of Company Secretaries of India in respect of Item No. 3 i.e. Director seeking re-appointment at the AGM, is annexed hereto and forms part of the Notice.
2. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 02/2021 dated 13th January, 2021, 19/2021 dated 8th December, 2021, 21/2021 dated 14th December, 2021 and 10/2022 dated 28th December, 2022 ('MCA Circulars'), has allowed the Companies to conduct the AGM through Video Conferencing or Other Audio-Visual Means ('VC/OAVM') till 30th September, 2023. In accordance with the said MCA Circulars and applicable provisions of the Act, the 37th AGM of the Company shall be conducted through VC/OAVM. The venue of the meeting shall be deemed to be the Registered Office of the Company at Sohan Nagar, P.O. Charubeta, Khatima- 262308, Distt. Udham Singh Nagar, Uttarakhand.
3. **IN TERMS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF. SINCE AGM IS BEING HELD THROUGH VC/OAVM AS PER MCA CIRCULARS, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE MADE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP INCLUDING ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**
4. Pursuant to the provisions of Section 113 of the Act, Institutional/Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. In this regard, Institutional/Corporate Members are required to send the latest certified copy of the board resolution/authorization letter/power of attorney authorising their representative(s) to attend the meeting and vote on their behalf through e-voting, together with attested specimen signature(s) of the duly authorized representative(s). The said resolution/authorization letter/power of attorney shall be sent by the body corporate through its registered e-mail address to the Scrutinizer at cs.akashjain@yahoo.com with a copy marked to investor@ester.in.

5. The Notice of the 37th AGM along with the Annual Report for the financial year 2022-23 has been uploaded on the website of the Company at www.esterindustries.com and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL i.e. www.evoting.nsdl.com.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 21st September, 2023 to Wednesday, 27th September, 2023 (both days inclusive).

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ADDRESSES AND FOR OBTAINING COPY OF ANNUAL REPORT:

7. In accordance with the circulars issued by MCA and SEBI, the Notice of the AGM along with the Annual Report will be sent to Members/beneficial owners whose names appear in the Register of Members/list of beneficiaries received from the depositories as on Friday, 25th August, 2023, and whose e-mail id is registered with the Company, their Depository Participants (DPs) or the Company's RTA. Physical copy of the Notice of the AGM along with Annual Report for the financial year 2022-23 shall be sent to those Members who request for the same.
8. Members who have not registered their e-mail addresses and wish to receive the AGM Notice and Annual Report, or participate in the AGM, or cast their votes through remote e-voting or e-voting during the meeting, are requested to get their e-mail addresses and mobile numbers registered with the Company by following the guidelines as stated below:

- **In case of Physical Holding:** Members holding physical shares and who have not registered/updated their email addresses and mobile number with the Company, are requested to register/update their e-mail addresses and mobile number at the earliest by submitting Form ISR-1 (available on the Company's website at <https://www.esterindustries.com/sites/default/files/isr-1.pdf>) duly completed and signed along with the requisite supporting documents to the Company at investor@ester.in or to the Company's RTA viz. M/s Mas Services Limited at T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi-110 020 at investor@masserv.com.
- **In case of Demat Holding:** Members holding shares in dematerialized form are requested to register/update their e-mail addresses and mobile number with the relevant DPs.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

9. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and


Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI (LODR) Regulations, 2015 (as amended) and applicable circulars, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL), as the authorised agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting system (i.e. the facility of casting votes by a Member by using an electronic voting system from a place other than the venue of the general meeting) as well as e-voting on the date of the AGM will be provided by NSDL.

10. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Wednesday, 20th September, 2023 i.e. a day prior to commencement of book closure date, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
11. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9:00 A.M. (IST) on Sunday, 24th September, 2023 and will end at 5:00 P.M. (IST) on Tuesday, 26th September, 2023. In addition, the facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
12. The detailed instructions and the process for accessing and participating in the 37th AGM through VC/OAVM facility and voting through electronic means including remote e-voting are explained herein below:

Step 1: Access to NSDL e-voting system

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on 'e-voting facility provided by Listed Companies', Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with DPs. Members are advised to update their mobile number and e-mail addresses in their demat accounts in order to access the e-voting facility.

A. Login method for e-voting and joining virtual AGM for Individual Members holding securities in demat mode:

Type of Individual Members	Login Method
Securities held in demat mode with NSDL.	<p>A. Users registered for NSDL IDeAS facility:</p> <ol style="list-style-type: none"> 1. Open web browser by typing: https://eservices.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. 2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services under value-added services. Click on 'Access to e-voting' under e-voting services and you will be able to see e-voting page. 3. Click on Company name or e-voting service provider (ESP) i.e. NSDL and you will be re-directed to the NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. <p>B. Users not registered for IDeAS e-Services:</p> <p>The option to register is available at https://eservices.nsdl.com. Select 'Register Online for IDeAS' Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>C. Visit the e-voting website of NSDL:</p> <ol style="list-style-type: none"> 1. After successfully registering on IDeAS, visit the e-voting website of NSDL. Open the web browser by typing: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of the e-voting system is launched, click on the icon 'Login' under 'Shareholder/Member' section. 2. A new screen will open. Enter your User ID (i. e. your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see e-voting page. 3. Click on Company name or e-voting service provider (ESP) i.e. NSDL and you will be redirected to the e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 4. Members can also download the NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience: <div style="text-align: center;">  </div>
Securities held in demat mode with Central Depository Services (India) Limited	<p>A. Users who have opted for Easi/Easiest:</p> <ol style="list-style-type: none"> 1. Members can login through their existing User ID and Password. Option will be made available to reach the e-voting website without any further authentication. The URL for users to login to Easi / Easiest is www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest, the user will be able to see the e-voting menu. The menu will have links of ESP i.e. NSDL. Click on NSDL to cast your vote. <p>B. Users who have not opted for Easi/Easiest:</p> <p>Option to register for Easi/Easiest is available at www.cdslindia.com</p> <p>C. Visit the e-voting website of NSDL :</p> <ol style="list-style-type: none"> 1. Alternatively, the user can directly access the e-voting page by providing demat account number and PAN from an e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/EVoting/EVotingLogin. The system will authenticate the user by sending OTP on the registered mobile number and e-mail id as recorded in the demat account. 2. After successful authentication, the user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.

Securities held in demat mode - login through their Depository Participants	<ol style="list-style-type: none"> 1. Members can also login using the login credentials of their demat account through their Depository Participants registered with NSDL/CDSL for e-voting facility. After logging, you will be able to see the e-voting option. 2. Once you click on the e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see the e-voting feature. 3. Click on the Company name or e-voting service provider i.e. NSDL and you will be redirected to the e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
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Important Note: Members who are unable to retrieve their User ID / Password are advised to use "Forget User ID" and "Forget Password" option available at the above-mentioned website.

For Technical Assistance:

Members facing any technical issues related to login may reach out to the respective depositories' helpdesk by sending a request on the email ids or contact on the phone numbers provided below:

NSDL	CDSL
E-mail: evoting@nsdl.co.in	E-mail: helpdesk.evoting@cdslindia.com
Phone No.: 022 - 4886 7000 / 022 - 2499 7000	Toll Free No.: 1800 22 55 33

B. Login method for e-voting and joining virtual AGM for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

- Visit the e-voting website of NSDL. Open web browser by typing the URL: www.evoting.nsdl.com either on a personal computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders/Members' section.
- A new screen will open. You will have to enter your User ID, Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 123456 then user ID is 123456001***
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- Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option for reset password is available on www.evoting.nsdl.com.
 - Click on Physical User Reset Password?" (If you are holding shares in physical mode) option for reset password is available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- g. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- h. Now, you will have to click on "Login" button.
- i. After you click on the "Login" button, Home page of e-voting will open.

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

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

Process for those Members whose e-mail addresses are not registered with the DPs for procuring User Id and Password and registration of e-mail addresses for e-voting for the resolutions set out in this Notice:

- a. Members whose shares are held in physical mode are requested to provide Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by e-mail to investor@ester.in
- b. Members whose shares are held in demat mode are requested to provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@ester.in. If you are an Individual Member holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual Members holding securities in demat mode.
- c. Alternatively, Members may send a request to

evoting@nsdl.co.in for procuring their user id and password for e-voting by providing above mentioned documents.

- d. In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with DPs. Members are required to update their mobile number and e-mail addresses correctly in their demat account in order to access e-voting facility.

Instructions for Members for e-voting on the day of the AGM are as under:

- a. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible for the e-voting system in the AGM.
- c. Members 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.
- d. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on Phone No.: 022 - 4886 7000 / 022 - 24997000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at pallavid@nsdl.co.in.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM

13. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access this by following the steps mentioned above for access to the NSDL e-voting system. After successful login, Members should click on 'VC/OAVM link' placed under 'Join General Meeting' menu against the Company name. The link for VC/OAVM will be available in the Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have a User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
14. Members are encouraged to join the Meeting through laptops/desktops for better experience.
15. Please note that participants connecting from mobile devices or tablets or through laptop/desktop 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.
16. For convenience of the Members and proper conduct of AGM, Members can login and join at least 30 (thirty) minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of AGM. The

facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first-come-first-served basis. However, the large members i.e. members 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. can attend the 37th AGM without any restriction on account of first-come-first-served basis.

17. Institutional Members are encouraged to attend and vote at the AGM through VC/OAVM. Institutional Members can write to investor@ester.in in case of any issues faced by them for participating in the AGM.
18. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
19. Members, who need assistance before or during the AGM, may:
 - Send a request at evoting@nsdl.co.in or use Phone No.: 022 - 4886 7000 / 022 - 2499 7000; or
 - Contact Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email id: pallavid@nsdl.co.in.

PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT

20. Members who would like to express their views or ask questions during the AGM, may register themselves as a speaker by sending the request along with their queries in advance mentioning their name, demat account number/folio number, e-mail ID, mobile number at investor@ester.in. Please note that the Member's questions will be answered only if the shareholder continues to hold the shares as of the cut-off date i.e. Wednesday, September 20, 2023.
21. Only those speaker registration requests received till 5.00 p.m. (IST) on Tuesday, 19th September, 2023 will be considered and responded to during the AGM.
22. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

GENERAL INFORMATION:

23. It is strongly recommended that the Members take utmost care to keep their password confidential and not to share their password with any other person. Login to the e-voting system shall be disabled upon five unsuccessful attempts to key in the correct password. In such an event, the Members are advised to use the 'Forgot User Details/Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com to reset the password.
24. The Company has appointed Mr. Akash Jain, Practicing Company Secretary (FCS: F9617 and COP No. 9432), as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

25. The Scrutinizer shall after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's Report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairperson of the Company or a person authorized by him, in writing who shall then countersign and declare the result of the voting forthwith.
26. The results of the e-voting along with Scrutinizer's Report shall be declared to the Stock Exchanges within the timeframe prescribed under the Act and SEBI (LODR) Regulations, 2015 and shall also be placed on the website of the Company at www.esterindustries.com and on the website of NSDL at www.evoting.nsdl.com.
27. A recorded transcript of the AGM shall be maintained by the Company and be made available on the website of the Company at www.esterindustries.com in the 'Investors Section', as soon as possible, after the conclusion of the meeting.
28. Resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the resolutions.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

29. Documents referred to in the accompanying Notice of the 37th AGM and the Explanatory Statement shall be available at the Registered Office of the Company for inspection without any fee during normal business hours (9:00 A.M. to 5:00 P.M. IST) on all working days except Saturday, Sunday and National Holiday from the date of circulation of this notice up to the date of this AGM.
30. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and the certificate from the Secretarial Auditors in respect of the Company's Employee Stock Option Scheme will remain available for inspection through electronic mode during the AGM and all other documents referred to in the accompanying Notice and the Explanatory Statement will be available for inspection during the Meeting.

DIVIDEND RELATED INFORMATION

31. Final Dividend as recommended by the Board of Directors for the financial year ended 31st March, 2023, if approved at the AGM, will be paid to those Members of the Company who hold shares:
 - (i) In demat mode, based on the list of beneficial owners to be received from NSDL and CDSL as at the close of business hours on Wednesday, 20th September, 2023, being the cut-off date;
 - (ii) In physical mode, if the names appear in the

Company's Register of Members as on Wednesday, 20th September, 2023, being the cut-off date.

The Final Dividend will be paid on or before Wednesday, 25th October, 2023.

32. In terms of SEBI (LODR) 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.
33. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
- **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
 - **For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the company's website at <https://www.esterindustries.com/downloads>
 - Members holding shares in physical mode and who have not opted for NECS 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 NECS facility. Members holding shares held in dematerialized form, are required to update the bank account particulars with their respective Depository Participant.
34. Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, (the Income Tax Act), dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source ('TDS') at the time of making payment of dividend at rates prescribed in the Income Tax Act. For the prescribed rates for various categories, the Members are requested to refer to the Income Tax Act, 1961. The Members are requested to update their Permanent Account Number (PAN) with the Company/Registrar and Transfer Agent (RTA) (in case of shares held in physical

mode) and depositories (in case of shares held in demat mode).

- a) **For Resident Members:** Tax at source shall be deducted under Section 194 of the Income Tax Act @ 10% on the amount of dividend declare and paid by the Company during FY 2023-24, subject to PAN details registered/updated by the Member.

If PAN is not registered/updated in the demat account/folio as on the cut-off date, tax at source would be deducted @ 20% as per Section 206AA of the Income Tax Act. No tax at source is required to be deducted, if aggregate dividend paid or likely to be paid during the Financial Year to an individual Member does not exceed ₹5,000/- (Rupees Five Thousand Only). Further, a Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), to avail the benefit of non-deduction of tax at source by email to Company at investor@ester.in or to Registrar and Transfer Agent at investor@masserv.com latest by 17th September, 2023.

Notwithstanding the above, in case PAN of any Member falls under the category of 'Specified Person', the Company shall deduct tax at source @ 20% as per Section 206AB of the Income Tax Act.

In case of Resident Member having Order under Section 197 of the Income Tax Act, TDS will be deducted at the rate mentioned in the Order provided the Member submits a copy of the Order obtained from the Income-Tax authorities.

- b) **For Non-Resident Members:** Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act at the rates in force. As per the relevant provisions of the Income Tax Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to Non-Resident Members.

However, as per Section 206AB, if the Member is specified person, the tax shall be deducted at higher of the following rates:

- twice the rate specified in the relevant Provision of the Act, or
- twice the rate or rates in force

As per Section 90 of the Income Tax Act, Non-Resident Members can avail the 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