

The Listing Department <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400001	The Listing Department <b>National Stock Exchange of India Limited</b> "Exchange Plaza", C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai - 400051
Scrip Code: 522074	Scrip Code: ELGIEQUIP

E: SEC: 1026

Date: 1/1/2020

Dear Sirs/Madam

**Sub: Postal Ballot Notice - Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI LODR")**

This is in continuation to the outcome of Board meeting dated 16<sup>th</sup> December, 2019, we hereby enclose a copy of the postal ballot notice dated 16<sup>th</sup> December, 2019 ("Postal Ballot Notice") and postal ballot form.

The Postal Ballot Notice, along with other relevant documents, are being sent to all the shareholders whose names appear in the register of members/ beneficial owners received from the Depositories as on 27<sup>th</sup> December, 2019 ("Cutoff date"), seeking their approval as set out in the Postal Ballot Notice.

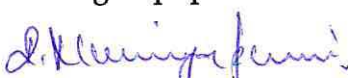
The Company has engaged the services of Central Depository Services (India) Limited for the purpose of providing e-voting facility to all its Members. The voting through postal ballot and through e-voting will commence from Thursday, 2<sup>nd</sup> January, 2020 (9:00 A.M. IST) and shall end on Friday, 31<sup>st</sup> January, 2020 (5:00 P.M. IST). The results of the postal ballot will be announced on or before Saturday, 1<sup>st</sup> February, 2020.

The above information will also be made available on the website of the Company [www.elgi.com](http://www.elgi.com). This is for your information and record.

Kindly take this into your record.

Thanking you,

Yours faithfully,  
**For Elgi Equipments Limited**

  
**Nithya Prabhu R**  
Company Secretary



# ELGI EQUIPMENTS LIMITED

CIN: L29120TZ1960PLC000351

Regd. Off.: Elgi Industrial Complex III, Trichy Road,  
Singanallur, Coimbatore - 641005

Phone: 0422-2589555 Fax: 0422-2573697

Email: [investor@elgi.com](mailto:investor@elgi.com) Website: [www.elgi.com](http://www.elgi.com)

## POSTAL BALLOT NOTICE

(Pursuant To Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014)

Dear Member(s),

Notice is hereby given pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof for the time being in force) and other applicable provisions of the Act and Rules made there-under and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the below mentioned resolution(s) are proposed to be transacted / passed by the Members through Postal Ballot/ e-voting process:

- i. Adoption of Elgi Equipments Limited Employee Stock Option Plan 2019;
- ii. Extension of benefits under the Elgi Equipments Limited Employee Stock Option Plan 2019 to the Eligible Employees of the subsidiary and holding companies of Elgi Equipments Limited (hereinafter referred to as "the Company");
- iii.
  - a. Use of the Trust route for the implementation of the Elgi Equipments Limited Employee Stock Option Plan 2019 (Elgi ESOP 2019);
  - b. Secondary acquisition of the Equity Shares of the Company by the Trust to be set up; and
  - c. Grant of financial assistance / provision of money by the Company to the Trust to fund the acquisition of its Equity Shares, in terms of the Elgi ESOP 2019.

The Board of Directors of the Company, at their meeting held on 16th December, 2019, has approved the above matters subject to the approval of the Members of the Company and such other authorities as may be required.

The Statement setting out the material facts concerning the resolution(s) set out in Item No. 1 to 3 of the Postal Ballot Notice dated 16th December, 2019 pursuant to Section 102 of the Companies Act, 2013 relating to the resolution is annexed. The Postal Ballot Notice is also placed on the website of the Company [www.elgi.com](http://www.elgi.com).

You are requested to send your assent or dissent for the resolution(s) set out in Item No.1 to 3 within 30 days in either of the following modes: -

- i. by filling in the necessary details in the Postal Ballot Form enclosed, signing the same at the marked place and returning the same in the enclosed postage pre-paid business reply envelope; or
- ii. by e-voting through the platform provided by Central Depository Services (India) Limited ("CDSL"), the e-voting agency appointed by the Company for the purpose.

The Board of Directors of the Company vide their resolution passed on 16th December, 2019 has appointed Mr. M. D. Selvaraj, FCS of M/s. MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the voting through Postal Ballot process and through electronic means in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form, duly completed in all respects in the enclosed self-addressed, postage pre-paid envelope, so as to reach the Scrutinizer on or before the close of working hours at 5.00 PM on Friday, the 31st January, 2020. Your assent / dissent received after 5.00 PM on Friday, the 31st January, 2020 would be strictly treated as if a reply from you has not been received. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

As required under the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is also providing e-voting facility as an alternative to exercising the voting right through Postal Ballot Form. Accordingly, instead of returning the Postal Ballot Form, Members may choose to cast their vote electronically through the CDSL e-voting platform. The e-voting platform will be opened for tendering your votes from 9:00 AM on Thursday, the 2nd January, 2020 to 5.00 PM on Friday, the 31st January, 2020. Members opting for e-voting may follow the procedure, as recommended by CDSL, which is specified along with this Notice.

The Scrutinizer shall submit his report to the Managing Director, or any other Director authorised in this behalf, of the Company. The result of the Postal Ballot shall be:

- i. Announced on or before the close of business hours on Saturday, the 1st February, 2020.
- ii. Displayed on the website of the Company and CDSL on Saturday, the 1st February, 2020 and
- iii. Communicated to BSE Limited (BSE) & the National Stock Exchange of India Limited (NSE), the Stock Exchanges where the Equity Shares of the Company are listed.

In the event, the resolution(s) as set out under Item No.1 to 3 below are assented by the requisite majority of the Members by means of Postal Ballot process, it shall be deemed to have been passed as Special Resolution(s), at the General Meeting of the Company and it shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot Form or e-voting.

#### SPECIAL BUSINESS

Item No.1:

Adoption of Elgi Equipments Limited Employee Stock Option Plan 2019:

To consider and if thought fit, to give assent / dissent to the following resolution to be passed as a Special Resolution:

RESOLVED THAT in accordance with the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with rules framed thereunder and the Securities and Exchange Board of India ("SEBI") (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with circulars / guidelines issued by SEBI, the Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force, from time to time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include the Compensation Committee constituted by the Board or any other Committee which the Board may constitute to act as the "Compensation Committee" under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the Members of the Company, be and is hereby accorded to grant, vest and allot, from time to time and in one or more tranches, Options under the 'Elgi Equipments Limited Employee Stock Option Plan 2019' ("Elgi ESOP 2019"), the salient features of which are set out in the Statement annexed to this Notice, to or to the benefit of such person(s) who are permanent employees of the Company, whether working in India or outside India, and / or to the Directors of the Company, whether whole-time or not but excluding Independent Director(s) and to such other persons as may be decided by the Board and / or permitted under SBEB Regulations (hereinafter referred to as "Eligible Employees") but does not include an employee who is a Promoter or a person belonging to the Promoter group or a Director(s) who either himself or

through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company, exercisable into not more than 15,84,545 options not exceeding 1% of the outstanding Equity Shares of the Company ("Ceiling"), with each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up equity share in the Company of the face value of Re. 1/- (Rupee One only) each at such price or prices (not less than the face value of the shares), in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the terms of Elgi ESOP 2019 and in due compliance with the SBEB Regulations and other applicable laws, rules and regulations.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to implement the Elgi ESOP 2019 through a Trust to be set up for this purpose.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division and others, if any additional Equity Shares are issued by the Company to the Members, the Ceiling of 15,84,545 options of Equity Shares shall be deemed to be increased in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the Equity Shares are either sub-divided or consolidated, then the number of Equity Shares to be transferred on exercise of Stock Options and the Exercise price of Stock Options shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Re. 1/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under the Elgi ESOP 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorised to devise, formulate, evolve, decide upon and bring into effect Elgi ESOP 2019 as per the terms approved in this resolution read with the Statement annexed to this Notice and at any time to modify, alter or amend the said terms or suspend, withdraw or terminate Elgi ESOP 2019, subject to compliance with the SBEB Regulations and other applicable laws, rules and regulations, as may be prevailing at that time.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to Elgi ESOP 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of Elgi ESOP 2019 and to take all such steps and do all acts as may be incidental or ancillary thereto.

Item No.2:

Extension of benefits of Elgi Equipments Limited Employee Stock Option Plan 2019 to the Eligible Employees of the subsidiary and holding companies of the Company:

To consider and if thought fit, to give assent / dissent to the following resolution to be passed as a Special Resolution:

RESOLVED THAT in accordance with the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with rules framed thereunder and the Securities and Exchange Board of India ("SEBI") (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with circulars / guidelines issued by SEBI, the Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), any rules, guidelines and regulations issued by the

Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force, from time to time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include the Compensation Committee constituted by the Board or any other Committee which the Board may constitute to act as the "Compensation Committee" under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the Members of the Company be and is hereby accorded to grant, vest and allot, from time to time and in one or more tranches, Options under the 'Elgi Equipments Limited Employee Stock Option Plan 2019' ("Elgi ESOP 2019"), referred to in the Special Resolution under Item No. 1 of this Postal Ballot Notice, to or to the benefit of such person(s) who are permanent employees of subsidiary and holding companies of the Company, whether working in India or outside India, and / or to the Directors of the subsidiary companies of the Company, whether whole-time or not but excluding Independent Director(s) of the subsidiary companies and to such other persons as may be decided by the Board and / or permitted under SBEB Regulations (hereinafter referred to as "Eligible Employees") but does not include an employee who is a Promoter or person belonging to the Promoter group or a Director(s) who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company, to the intent that the number of Options offered under Elgi ESOP 2019 to the Eligible Employees of the subsidiary and holding companies shall be subsumed in the aggregate limit of 15,84,545 options not exceeding 1% of the outstanding Equity Shares ("Ceiling") of the face value of Re. 1/- (Rupee One only) each set out in the Special Resolution under Item No. 1 of this Postal Ballot Notice.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to implement the Elgi ESOP 2019 through a Trust to be set up for this purpose.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division and others, if any additional Equity Shares are issued by the Company to the Members, the Ceiling of 15,84,545 options Equity Shares shall be deemed to be increased in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the Equity Shares are either sub-divided or consolidated, then the number of Equity Shares to be transferred on exercise of Stock Options and the Exercise price of Stock Options shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Re. 1/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under Elgi ESOP 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorised to devise, formulate, evolve, decide upon and bring into effect Elgi ESOP 2019 as per the terms approved in this resolution read with the Statement annexed to this Notice and at any time to modify, alter or amend the said terms or suspend, withdraw or terminate Elgi ESOP 2019, subject to compliance with the SBEB Regulations and other applicable laws, rules and regulations, as may be prevailing at that time.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to Elgi ESOP 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to



give effect to any modification, alteration, amendment, suspension, withdrawal or termination of Elgi ESOP 2019 and to take all such steps and do all acts as may be incidental or ancillary thereto.

Item No.3:

Approval for (i) the use of the Trust route for the implementation of the Elgi Equipments Limited Employee Stock Option Plan 2019 (Elgi ESOP 2019); (ii) secondary acquisition of the Equity Shares of the Company by the Trust to be set up; and (iii) grant of financial assistance / provision of money by the Company to the Trust to fund the acquisition of its Equity Shares, in terms of the Elgi ESOP 2019:

To consider and if thought fit, to give assent / dissent to the following resolution to be passed as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the "SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the "Board", which term shall include the Compensation Committee constituted by the Board or any other Committee which the Board may constitute to act as the "Compensation Committee" under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution) consent of the Members be and is hereby accorded to the Board to:

- i. implement the Elgi Equipments Limited Employee Stock Option Plan 2019 ("Elgi ESOP 2019") through a Trust to be set up for this purpose in accordance with the SBEB Regulations;
- ii. acquire, hold and deal in such number of Equity Shares of the Company acquired from the secondary market through the Trust that may be set up in this regard, 15,84,545 options not exceeding 1% of the outstanding Equity Shares of the Company of face value of Re.1/- each (the "Equity Shares"), being below the Ceiling of 5% of the paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2019, as prescribed under the SBEB Regulations, for the purpose of implementation of the Elgi ESOP 2019, or for any other purpose(s) as contemplated under and in due compliance with the provisions of the SBEB Regulations;
- iii. extend financial assistance / provision of money to the Trust (to be set up) from time to time; provided however that the outstanding financial assistance shall not exceed Rs. 30,00,00,000/- (Rupees thirty crores only) at any point in time, for acquisition of upto 15,84,545 Equity Shares from the secondary market through the Stock Exchanges, representing 1% of the paid-up equity share capital of the Company, with or without interest, and if with interest at a rate, as may be decided by Compensation Committee and/or Board of Directors, for the purpose of implementation of the Elgi ESOP 2019, in accordance with the Companies Act, 2013 and Rules made thereunder and the SBEB Regulations.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other reorganisation of capital structure of the Company, the number of Equity Shares of the Company to be acquired from the secondary market by the Trust shall be appropriately adjusted and to give effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure a fair and reasonable adjustment to the Stock Options granted earlier and that the above Ceiling of 1% Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of Directors, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard.

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

##### Item Nos. 1 & 2

Stock Options in the hands of the employees have long been recognised as an effective instrument to align the interests of the employees with that of the Company and its Members, providing an opportunity to the employees to share in the growth of the Company and to create wealth in the hands of the employees.

Accordingly, the Company intends to reward, attract, motivate and retain employees and Directors of the Company and its subsidiary and holding companies for their high level of individual performance and for their efforts to improve the financial performance of the Company. The Eligible Employees shall be granted Employee Stock Options ("Options") which will be exercisable into Equity Shares of Re.1/- each of the Company (the "Equity Shares") upon such terms and conditions as applicable to the Options.

Towards this end, the Company has proposed to adopt the 'Elgi Equipments Limited Employee Stock Option Plan 2019' (the "Elgi ESOP 2019"). The Board of Directors of the Company through a resolution dated 16<sup>th</sup> December, 2019 approved the broad framework of the Elgi ESOP 2019.

The Members are informed that the Company intends to offer not more than 15,84,545 Options not exceeding 1% of the outstanding Equity Shares under the Elgi ESOP 2019. This Ceiling will be adjusted for any future bonus issue of shares or stock splits or consolidation of shares and also may further be adjusted at the discretion of the Board for any corporate action(s).

The Elgi ESOP 2019 will be administered by the Compensation Committee constituted by the Board pursuant to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") through a Trust, viz. the Elgi Equipments Limited Employees Stock Option Trust to be setup for this purpose.

The approval of Members is being sought for grant of Stock Options to Eligible Employees of the Company and its subsidiary and holding companies.

The Elgi ESOP 2019 is being formulated in accordance with the SBEB Regulations.

The salient features of Elgi ESOP 2019 are set out as per SEBI Circular and are as under:

##### i. Brief description of the Scheme – Elgi ESOP 2019

The Elgi ESOP 2019 has been adopted by the Board of Directors pursuant to resolution passed at their meeting held on 16<sup>th</sup> December, 2019.

The objects of the Plan are:

- a. To provide means to enable the Company, its holding and subsidiaries to attract, retain and reward appropriate human talent in its employment and its holding and subsidiaries, respectively; and
- b. To create a sense of ownership and participation amongst the employees of Elgi Equipments Limited.

##### ii. Total number of Options to be granted

The total number of Stock Options, convertible into Equity Shares that may in the aggregate be granted shall be 15,84,545 not exceeding 1% of the outstanding Equity Shares of Re. 1/- each of the paid-up equity share capital of the Company.

Pursuant to SBEB Regulations, the aggregate number of shares acquired from secondary market underlying an Option that may be granted under the Plan shall not exceed 2% of the paid up share capital of the Company in any one financial year. Further, such overall aggregate number of shares acquired from secondary market underlying an Option that may be granted shall not exceed 5% of the paid up share capital of the Company. Upon exercise, each Stock Option entitles the relevant grantee to one Equity Share.

Grant price of Options would be market price as on date of grant or such other price as the Board or the Compensation Committee may decide, but not less than the face value of the share.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, split or consolidation and others, a fair and reasonable adjustment needs to be made to the Stock Options granted. Accordingly, if any additional Equity Shares are issued by the Company to the grantees for making such fair and reasonable adjustment, the Ceiling shall be deemed to be increased to the extent of such additional Equity Shares issued, as determined by the Compensation Committee from time to time.

Stock Options not vested due to non-fulfilment of the vesting conditions, vested Stock Options which the grantees expressly refuse to exercise, Stock Options (vested and not exercised and unvested) which have been surrendered and any Stock Options granted but not vested or exercised within the stipulated time for any reasons, shall lapse and these Stock Options or the underlying Equity Shares will be available for grant under the Elgi ESOP 2019 or under a new scheme, subject to compliance with applicable laws.

iii. Identification of classes of employees entitled to participate in the Elgi ESOP 2019

Persons who are permanent employees of the Company, its subsidiary and holding companies, working in or out of India, and/or the Directors of the Company, whether whole-time or not, will be entitled to participate in the Elgi ESOP 2019, subject to fulfilment of the eligibility criteria (example: longevity, criticality of the job, availability of the talent, performance of the individual, etc.) as may be specified in terms of the SBEB Regulations or as may be decided by the Board or Compensation Committee, from time to time. The following categories of employees/Directors shall not be eligible to participate in the Elgi ESOP 2019:

- a. a Promoter or a person belonging to the Promoter group;
- b. an Independent Director;
- c. a Director who either by himself/ herself or through his/ her relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company.

iv. Requirements of vesting and maximum period of vesting

An Option granted to an employee shall entitle him to apply for the share on or after the date of vesting within the Exercise period and at an Exercise price.

The Options granted shall have a Vesting period of not more than three years from the date of grant and all Options granted shall vest as per the Vesting schedule specified in the Grant Letter. The Compensation Committee may reduce such Vesting period. However, such Vesting period shall not be less than one year from the date of grant.

v. Exercise price or pricing formula

The Equity Shares to be transferred pursuant to the exercise of the Options would be transferred at the market price of the Equity Shares or at such other price as may be decided by the Board or the Compensation Committee from time to time in compliance with the SBEB Regulations. Provided that the Exercise price per option shall not be less than the face value of the Equity Share of the Company.

vi. Exercise period or process of exercise

All the Vested Options to be exercised as set out in the Grant Letter. All Vested Options shall be exercised within a period of three months from the date of vesting, failing which the Options shall be forfeited.

Exercise price would be the price payable by employee on the date of exercise which would either be equal to the Grant price or such price recomputed by the Compensation Committee. Such exercise price shall not be less than the face value of the shares.



The Stock Options will be exercisable by the employees through a written application to the Company accompanied by payment of the Exercise Price in such manner and on execution of such documents, as may be prescribed by the Board or the Compensation Committee from time to time. The Stock Options will lapse if not exercised within the specified Exercise period.

vii. The Appraisal process for determining the eligibility of employees

The appraisal process for determining the eligibility of the employees will be specified by the Board or the Compensation Committee, and will be based on certain criteria that may be determined by the Board or the Compensation Committee, as applicable, at its sole discretion. The Board or the Compensation Committee may decide to extend the benefits of the Elgi ESOP 2019 to new entrants or to existing employees on such basis as it may deem fit, in accordance with applicable laws.

viii. Maximum number of Options to be issued per employee and in aggregate

The maximum number of Stock Options to be granted to any employee shall be decided by the Board or Compensation Committee. However, the number of Stock Options that may be granted to a single employee under the Elgi ESOP 2019 shall not exceed 1% of the paid-up equity share capital at the time of grant of Stock Options (which shall be adjusted in lieu of adjustments/ re-organisation of capital structure of the Company from time to time). The aggregate of all such Stock Options shall not result into more than 1% of the Equity Shares which shall be adjusted in lieu of corporate actions, adjustments/ re-organisation of capital structure of the Company from time to time.

ix. Whether Elgi ESOP 2019 is to be implemented and administered directly by the Company or through a Trust

The Elgi ESOP 2019 shall be administered by the Compensation Committee through a Trust. Further, secondary acquisition of the Equity Shares from the Stock Exchanges, for the purposes of implementing the Elgi ESOP 2019 would only be undertaken by the Trust. The Company believes that the implementation of the Elgi ESOP 2019 through secondary market acquisition is in the best interest of the Company and its Members and it will not create any dilution in their shareholding besides being easier and efficient in implementation. The Trust shall be authorised to acquire Equity Shares of the Company from the secondary market. The Company proposes to provide financial assistance to the Trust for this purpose, in accordance with applicable laws.

x. Whether the Elgi ESOP 2019 involves new issue of Equity Shares by the Company or secondary acquisition or both

The Elgi ESOP 2019 will only involve secondary acquisition of Equity Shares by the Trust through the recognised Stock Exchanges. The secondary acquisition of Equity Shares will be undertaken in compliance with the SBEB Regulations and other applicable laws.

xi. The amount of financial assistance / provision of money to be provided for the implementation of the Elgi ESOP 2019 by the Company to the Trust, its tenure, utilisation, repayment terms.

The Company shall make financial assistance / provision of money to the Trust from time to time; provided however that the outstanding financial assistance shall not exceed Rs. 30,00,00,000/- (Rupees thirty crores only) at any point in time to fund the acquisition of Equity Shares by the Trust from the Stock Exchanges through secondary acquisition, in terms of the Elgi ESOP 2019. Further financial assistance / provision of money, if any, to be provided to the Trust by the Company in pursuance of the Elgi ESOP 2019, on account of increase in the price of the Equity Shares, will be extended in accordance with applicable laws. The Exercise price received from the employees upon exercise of Stock Options shall be used for the purposes of repayment to the Company.

xii. Maximum percentage of secondary acquisition (subject to the limits specified under the SBEB Regulations) that can be made by the Trust for the purposes of the Elgi ESOP 2019

In terms of the Elgi ESOP 2019, the Trust to be set up for the implementation of the Elgi ESOP 2019 may acquire Equity Shares through secondary acquisition such that secondary acquisition shall not exceed 1% of the paid-up equity share capital of the Company as at the end of the previous financial year. In accordance with SBEB Regulations, the Equity Shares acquired through secondary acquisition shall not exceed 2% of the paid-up capital of the Company in a financial year. As at 31st March, 2019, 2% of the paid-up equity share capital of the Company comprised 31,69,090 Equity Shares. Further, the total Equity Shares to be held by the Trust shall not exceed 5% of the paid-up equity share capital as at the end of the financial year immediately prior to the year in which the shareholder approval is obtained. As at 31st March, 2019, 5% of the paid-up equity share capital of the Company comprised 79,22,725 Equity Shares.

xiii. Accounting and Disclosure Policies

The Company shall comply with such applicable disclosure and accounting policies as prescribed by the SBEB Regulations and those prescribed by the concerned authorities from time to time.

xiv. Method of valuation of Stock Options

To calculate the employee compensation cost, the Company shall use appropriate fair valuation method as is compliant with Accounting Standards.

xv. Transferability of Stock Options

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of a Stock Option holder while in employment, the right to exercise all the Stock Options granted to him till such date shall be transferred to his legal heirs or nominees, as prescribed.

xvi. Other Terms

The Board or Compensation Committee shall have the absolute authority to vary or modify the terms of the Elgi ESOP 2019 in accordance with the regulations and guidelines prescribed by Securities and Exchange Board of India, including in terms of the SEBI SBEB Regulations or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is not detrimental to the interest of the employees who have been granted Stock Options under the Elgi ESOP 2019.

SBEB Regulations also require separate approval of Members by way of Special Resolution to grant Stock Options to the employees of the Company, holding and its subsidiary company(ies). Accordingly, a separate resolution under Item No. 2 is proposed, to extend the benefits of Elgi ESOP 2019 to the employees of the Company's subsidiary and holding company(ies), as may be decided by the Compensation Committee from time to time, under applicable laws.

A draft copy of the Elgi ESOP 2019 is available for inspection at the Registered Office during office hours on all working days upto the date of the meeting.

The Options to be granted under Elgi ESOP 2019 shall not be treated as an offer or invitation made to public for subscription of securities of the Company. The Elgi ESOP 2019 conforms to the SBEB Regulations.

The Board recommends resolution nos. 1 and 2 for approval of the Members of the Company.

Directors / Key Managerial Personnel of the Company / their relatives who may be granted Options under Elgi ESOP 2019 may be deemed to be concerned or interested in the Special Resolutions set out at Item Nos. 1 & 2 of this Notice.

Item No. 3:

As indicated in the Statement pertaining to Item No. 1 and 2, the Board of Directors of the Company through a resolution dated 16<sup>th</sup> December, 2019 approved the broad framework of the Elgi Equipments Limited Employee Stock Option Plan 2019 (the "Elgi ESOP 2019"). Further, the Elgi ESOP 2019 shall be administered by the Compensation Committee constituted by the Board through a Trust. Further, in terms of the Elgi ESOP 2019, the secondary acquisition shall not exceed 1 % of the paid-up equity share capital of the Company, and however, in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended (the "SBEB Regulations"), the Equity Shares acquired through secondary acquisition shall not exceed 2% of the paid-up capital of the Company in a financial year. As at 31<sup>st</sup> March, 2019, 2% of the paid-up equity share capital of the Company comprised 31,69,090 Equity Shares. Further, in terms of the SBEB Regulations, the total Equity Shares to be held by the Trust shall not exceed 5% of the paid-up equity share capital as at the end of the financial year immediately prior to the year in which the Member approval is obtained. As at 31<sup>st</sup> March, 2019, 5% of the paid-up equity share capital of the Company comprised 79,22,725 Equity Shares.

In accordance with the SBEB Regulations, a separate resolution is required to be passed as a Special Resolution by Members of the Company, if the implementation of the Elgi ESOP 2019 involves setting up of a Trust, secondary acquisition of Equity Shares and provision of money whether by way of a financial assistance or otherwise. Therefore, a separate resolution is proposed for secondary acquisition of Equity Shares for the implementation of the Elgi ESOP 2019 through a Trust to be setup for this purpose and providing financial assistance / provision of money for such acquisition in accordance with applicable laws.

Upon approval of the Members and after complying with the procedural and statutory formalities, the Trust is empowered to acquire in one or more tranches, upto 15,84,545 shares not exceeding 1% of the outstanding Equity Shares of the Company from the secondary market through the Stock Exchanges, for the implementation of the Elgi ESOP 2019.

The Company proposes to provide financial assistance / provision of money to the Trust from time to time; provided however that the outstanding financial assistance shall not exceed Rs. 30,00,00,000/- (Rupees thirty crores only) at any point in time. The financial assistance / provision of money may be with or without interest and will be utilised for implementation of the Elgi ESOP 2019. As and when the Exercise price is recovered from the employees, from time to time, upon exercise of options, the Trust shall repay the money to the Company.

The relevant disclosures, as required under Section 67 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 are as follows:

- i. The class of employees for whose benefit the Scheme is being implemented and money is being provided for subscription to shares

The present and future permanent Employees, whether in India or outside India, and/or the Directors of the Company, whether whole-time or not but excluding Independent Directors, are eligible to participate in Elgi ESOP 2019, subject to such eligibility criteria as may be decided by the Compensation Committee and/or Board, from time to time.

- ii. The particulars of the Trustees in whose favour such shares are to be registered

The Equity Shares will be registered in the name of all or any of the Trustees mentioned below:

- a. Mr. R Jeyachandran, No. 3/1, Sowripalayam Road (Thottam), Coimbatore 641 028.
- b. Mr. M Ramakrishnan, Flat No. 5, First Floor, Mithila Apartments, Sathyamoorthy Road, Ramnagar, Coimbatore 641 009.

If the Equity Shares are registered in the name of all or any of the Trustees mentioned above, such Trustee(s) shall hold Equity Shares of the Company for and on behalf of the Elgi ESOP Trust.

- c. The particulars of Trust and name, address, occupation and nationality of Trustees and their relationship with the Promoters, Directors and Key Managerial Personnel

Particulars of Trust

Name of the Trust	Elgi Equipments Limited Employees Stock Option Trust
Address of the Trust	Elgi Industrial Complex, Trichy Road, Singanallur, Coimbatore 641005

Particulars of Trustees

Name	Address	Occupation	Nationality
Mr. R Jeyachandran	No. 3/1, Sowripalayam Road (Thottam), Coimbatore 641 028	Chartered Accountant	Indian
Mr. M Ramakrishnan	Flat No. 5, First Floor, Mithila Apartments, Sathyamoorthy Road, Ramnagar, Coimbatore 641 009	Chartered Accountant	Indian

None of the above Trustees and their respective relatives are related to Promoters, Directors and Key Managerial Personnel of the Company. Subject to the compliance of the provisions of applicable law, the aforesaid Trustees may be changed at any time. In accordance with the SBEB Regulations, none of the Trustees hold 10% or more beneficial interest in the Company.

- d. Any interest of the Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof

The Promoters and Promoter Group are not interested in the Elgi ESOP 2019 or the Trust. Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares as may be offered to them under the Elgi ESOP 2019.

- e. The detailed particulars of benefits which will accrue to the employees from the implementation of the Elgi ESOP 2019

The Eligible Employees will get one share for every option granted to them at the Exercise price (as determined by the Compensation Committee from time to time). The benefit that would accrue to all the Eligible Employees would be the market appreciation between the date of grant and date of exercise.

- f. Details about who would exercise and how the voting rights in respect of the shares to be acquired under the Elgi ESOP 2019 would be exercised

Voting rights of the Trustees of the Trust shall be exercised inline with applicable laws and regulations.

The Stock Options to be granted under the Elgi ESOP 2019 shall not be treated as an offer or invitation made to the public for subscription in the securities of the Company.

The Board recommends the resolution set out in Item No. 3 of this Notice for approval of the Members of the Company.

Regulation 6 of the SBEB Regulations requires that any Employee Stock Option Scheme for offering Options to the employees must be approved by the Members by way of a Special Resolution. Accordingly, the resolutions set out as Item Nos.1, 2 and 3 are being placed for the approval of the Members pursuant to the provisions of the Companies Act, 2013 and Regulation 6 of the SBEB Regulations and all other applicable provisions of law for the time being in force.

As per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all fees / compensation (including stock options) paid to

non-executive Directors, including Independent Directors, shall require previous approval of Members in General Meeting. Since the Directors of the Company are also eligible for grant of Options (but excluding Promoter, Promoter Group, Independent Directors, and a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Equity Shares of the Company) resolutions set out in Item Nos. 1, 2 and 3 are placed for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in the resolution and in appointment of Trustees, except to the extent of the Options that may be offered to them under the ELGI ESOP 2019.

By Order of the Board

For ELGI EQUIPMENTS LIMITED

Sd/-

R Nithya Prabhu

Company Secretary

Place: Coimbatore

Date: 16<sup>th</sup> December, 2019

NOTES:

1. The Board of Directors of the Company has appointed Mr. M. D. Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore as the Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.
2. The approval of the Members is being sought through the Postal Ballot, pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for which a separate Ballot paper is circulated to the Members along with this Notice.
3. Voting period commences from 9:00 AM on Thursday, the 2<sup>nd</sup> January, 2020 and ends at 5:00 PM on Friday, the 31<sup>st</sup> January, 2020 for the Members exercising their voting either by Postal Ballot or through e-voting within 30 days from date of dispatch of the Notice.
4. The Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") as on 27<sup>th</sup> December, 2019 (cut-off date).
5. The Members whose names appear in the Register of Members / Record of Depositories as on Friday the 27<sup>th</sup> December, 2019 will only be considered for voting. In case a person, who is not a Member of the company as on the cut-off date receives this Notice, the same should be treated as being sent for informative purposes.
6. Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the Company's website [www.elgi.com](http://www.elgi.com).
7. Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed with the Assent (For) Dissent (Against) in the attached Business Reply envelope so as to reach the Scrutinizer on or before 5:00 PM on Friday the 31<sup>st</sup> January, 2020 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. Hence the Members are requested to send the duly completed Postal Ballot Form well before Friday the 31<sup>st</sup> January, 2020, providing sufficient time for postal transit.
8. The result of the Postal Ballot shall be announced on or before 5:00 PM on Saturday, 1<sup>st</sup> February, 2020 at the Registered Office of the Company and shall also be displayed on the Company's website [www.elgi.com](http://www.elgi.com), on the website of CDSL and will also be communicated to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the Stock Exchanges where the Equity Shares of the Company are listed.



9. The Postal Ballot Form and self-addressed, pre-paid postage envelopes are enclosed for use of the Members and it bears the address to which the duly completed Postal Ballot Forms are to be sent. The facility of voting by electronic means is being provided by Central Depository Services (India) Limited ('CDSL') for which the required procedure is incorporated in the Postal Ballot Notice.
10. The Postal Ballot Notice and Form have been placed on Company's website [www.elgi.com](http://www.elgi.com) and CDSL e-voting website [www.evotingindia.com](http://www.evotingindia.com) and will remain on such website until the last date of receipt of the Postal Ballot from Members.
11. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on 27<sup>th</sup> December, 2019.

#### INSTRUCTIONS FOR VOTING:

##### A. VOTING THROUGH POSTAL BALLOT FORM

Instructions regarding voting through Postal Ballot Form have been given on the reverse side of the Postal Ballot Form

##### B. REMOTE E-VOTING FACILITY

Pursuant to Section 110 of the Companies Act, 2013 and applicable rules made there under, the Company is pleased to offer e-voting facility for the Members to enable them to cast their votes electronically. For this purpose, the Company has signed an agreement with the Central Depository Services (India) Limited ("CDSL") for facilitating e-voting. Members have option to vote either through e-voting or through the Postal Ballot Form. If a member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case Members cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.

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

- i. The voting period begins on Thursday, the 2<sup>nd</sup> January, 2020 at 9.00 AM and ends on Friday the 31<sup>st</sup> January, 2020 at 5.00 PM. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, the 27<sup>th</sup> December, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on Shareholders.
- iv. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

vii. If you are a first-time user 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) Y Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot indicated in the PAN field.
Date of Birth (DOB)	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Y Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach 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.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for 'Elgi Equipments Limited'.
- xii. 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.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the 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.

xviii. Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix. Note for Non – Individual Members and Custodians

- a. Non-Individual Members (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.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c. 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.
- d. The list of accounts 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.
- e. 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.

xx. In case you have any queries or issues regarding e-voting, 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 write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

The Scrutinizer will submit his report after completion of scrutiny, on or before Saturday, the 1<sup>st</sup> February, 2020. The Managing Director or any other Director authorised in this behalf will announce the results of the voting by Postal Ballot on or before 5.00 PM on Saturday, the 1<sup>st</sup> February, 2020 at the Registered Office of the Company.

By Order of the Board

For ELGI EQUIPMENTS LIMITED

Sd/-

R Nithya Prabhu  
Company Secretary

Place: Coimbatore

Date: 16<sup>th</sup> December, 2019

Enclosure:

1. Postal Ballot Form

2. Postage prepaid envelope

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INSTRUCTIONS

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- a) A member desiring to exercise vote by postal ballot may complete the Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered member will also be accepted.
- b) Please convey your assent/dissent in this Postal Ballot Form. The assent/ dissent received in any other form shall not be considered valid.
- c) Member desiring to exercise his/her vote may put the tick mark ( ) in the column provided for assent or dissent. Postal Ballot Form bearing ( ) in both the column will render the form invalid.
- d) This form should be completed and signed by the member. In case of joint holding, this form should be completed and signed (as per specimen signature registered with the Company) by the first named member and in his absence, by the next named member.
- e) Votes through Postal Ballot Form shall not be exercised by a Proxy.
- f) In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/Authority.
- g) Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected.
- h) In case the number of shares is not mentioned against the resolution, it will be deemed that the member has exercised his votes for the entire shares held by him.
- i) In addition to the reasons as mentioned above for rejection, Postal Ballot Form/Votes will be considered invalid on the following grounds:
  - i. If a form other than the one issued by the company has been used.
  - ii. If the form has not been signed by or on behalf of the member.
  - iii. If the shareholders' signature does not tally.
  - iv. If it is not possible to determine without any doubt the assent or dissent of the member.
  - v. If assent or dissent is not mentioned.
  - vi. If assent or dissent is given subject to some amendment to the resolution or condition.
  - vii. If any competent authority has given direction in writing to the Company to freeze the voting rights of a member.
  - viii. If the envelope containing the postal ballot form is received after the last date and time prescribed.
  - ix. If the postal Ballot form is signed by a representative of a member and is not accompanied by a certified copy of the specific authority.
  - x. If the Postal Ballot Form is filled and / or signed in pencil.
  - xi. If the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the shareholder or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the above grounds.
- j. In terms of the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014, Mr. M D Selvaraj, Practicing Company Secretary, Coimbatore, has been appointed as the Scrutinizer for conducting the postal ballot. Duly completed Postal Ballot Form should reach the Scrutinizer not later than 5.00 p.m. on Friday, 31st January, 2020. If any postal ballot form is received after this time and date, it will be considered that no reply from such member has been received.
- k) Members are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
- l) A member is neither required to cast all his/her votes nor he/she is required to vote in the same manner.
- m) There will be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of Joint holders.
- n) Members receiving the Postal Ballot notice by email may request for a duplicate Postal Ballot Form, if so required, from the Registrar and Share Transfer Agent, Link Intime India Private Limited, Surya, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028. However, the duplicate Postal Ballot Forms should reach the Scrutinizer not later than the date specified in (j) above.
- o) Members who have received Postal Ballot Form and are desirous of casting their votes by e-voting may follow e-voting procedure given in the Postal Ballot Notice.
- p) The Scrutinizer's decision on the validity of the Postal Ballot form will be final.