

August 26, 2024

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001  <b>BSE Scrip Code: 500067</b>	<b>National Stock Exchange of India Ltd</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051  <b>NSE Symbol: BLUESTARCO</b>
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Dear Sir/Madam,

**Sub: Postal Ballot Notice – Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘Listing Regulations’)**

Pursuant to Regulation 30 read with Schedule III of the Listing Regulations, we are enclosing herewith the Postal Ballot Notice dated August 26, 2024 (the ‘Notice’), together with Explanatory Statement which is being sent to the members on their registered email address, seeking approval for the following Special Businesses as set out in the said Notice:

<b>Sr. No.</b>	<b>Resolution</b>	<b>Approval</b>
1.	Approval of ‘Blue Star Employees Stock Option Scheme 2024’	Special
2.	Approval of Blue Star Employees Stock Option Scheme 2024 for the employees of Group Companies including Subsidiary(ies) and/ or Associate Company(ies) of the Company	Special
3.	Authorization to the Trust for secondary acquisition	Special
4.	Approval for provision of money by the Company to the Trust	Special
5.	Revision in the terms of remuneration of Mr B Thiagarajan, Managing Director	Special
6.	Appointment of Mr Ponnada Venkata Rao as an Executive Director - Projects, Solutions & International	Special

In compliance with the Ministry of Corporate Affairs circulars, physical copies of the Notice, postal ballot forms and pre-paid business envelopes are not being sent to members for this Postal Ballot. Notice is being sent in electronic form only.

The remote e-voting period will commence on Tuesday, August 27, 2024, (09:00 hours IST) and will end on Wednesday, September 25, 2024, (17:00 hours IST). During this period, members of the Company holding shares either in physical form or in



**Blue Star Limited**  
Band Box House, 4th Floor,  
254 D, Dr Annie Besant Road,  
Worli, Mumbai 400 030, India.  
T : +91 22 6654 4000  
F : +91 22 6654 4001  
[www.bluestarindia.com](http://www.bluestarindia.com)

dematerialized form, as on the cut-off date i.e., **Friday, August 16, 2024**, may cast their votes communicating assent or dissent by way of remote e-voting system only.

The results of Postal Ballot through remote e-voting shall be declared on or before Friday, September 27, 2024.

This intimation is also being made available on the website of the Company at [www.bluestarindia.com](http://www.bluestarindia.com).

Kindly take the same on record.

Thanking you,  
Yours faithfully,  
For **Blue Star Limited**



**Rajesh Parte**  
**Company Secretary & Compliance Officer**  
**Encl.: a/a**

\\172.16.31.16\Legal and Secretarial Documents\01 Blue Star Limited\2024-25\Postal Ballot\1. August 23, 2024\Stock Exchange Compliance\Notice

**BLUE STAR LIMITED****CIN:** L28920MH1949PLC006870**Registered Office:** Kasturi Buildings, Mohan T Advani Chowk,  
Jamshedji Tata Road, Mumbai 400 020.**Tel:** +91 22 6665 4000, +91 22 6654 4000; **Fax:** +91 22 6665 4151**Website:** [www.bluestarindia.com](http://www.bluestarindia.com); **Email:** [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com)**POSTAL BALLOT NOTICE**

Dear Member(s),

**NOTICE** is hereby given pursuant to the provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("the **Rules**"), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), read with General Circular Nos.14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 read with other relevant circulars including General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (the "**MCA Circulars**") Secretarial Standards on General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India and any other applicable provisions, of the Act, rules, regulations, circulars and notifications (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force) to transact the items of special business as set out in the Postal Ballot Notice proposed to be passed by the members of Blue Star Limited ("**the Company**") through remote e-voting i.e. voting through electronics means.

In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act, read with the Rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolutions are restricted only to remote e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. In accordance with the requirements of MCA Circulars, the Company will send Postal Ballot Notice by email, to only those members who have registered their email addresses with the Company/ RTA or depository/depository participants as on the cut-off date i.e. Friday, August 16, 2024. The communication of assent/dissent of the members will only take place through the remote e-voting system, and hence, hard copy of the Postal Ballot Notice along with postal ballot forms and pre-paid business envelope is not being sent to the members. Further, the Company has made necessary arrangements with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited ("RTA") for the members to register their e-mail address. Therefore, those members who have not yet registered their e-mail address are requested to register the same by following the procedure set out in the Notes to the Postal Ballot Notice. Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with the Company /RTA/depository participants to enable servicing of documents electronically to their e-mail address.

In compliance with the provisions of Section 108, 110 and other applicable provisions of the Act read with Rules framed thereunder, Regulation 44 of the Listing Regulations and SS-2, the Company has engaged National Securities Depository Limited ('NSDL'), an authorised agency, to provide remote e-voting facility to its members. The procedure for remote e-voting is provided in the Notes to this Postal Ballot Notice.

The remote e-voting period will commence on Tuesday, August 27, 2024 (9:00 hours IST) and will end on Wednesday, September 25, 2024, (17:00 hours IST). During the remote e-voting period, members of the Company holding shares either in physical form or in demat form, as on the cut-off date i.e. Friday, August 16, 2024, may cast their vote electronically.

The Board of Directors (the "Board") has appointed Mr Bharat R Upadhyay (Membership No. FCS 5436), failing him Mr Bhaskar Upadhyay (Membership No. FCS 8663) Partners of M/s N L Bhatia & Associates, Practicing Company Secretaries, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

After completion of remote e-voting period, the Scrutinizer will submit his Report to the Chairman & Managing Director / Managing Director / Group Chief Financial Officer / Company Secretary & Compliance Officer of the Company. The results of the voting conducted through postal ballot (through the remote e-voting process) along with Scrutinizer's Report will be announced by either of the aforesaid officials of the Company on or before Friday, September 27, 2024.

The Board of Directors of the Company now propose to obtain the consent of the members by way of Postal Ballot for the matters as considered in the Special Resolution ('Resolutions') appended below in accordance with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014. The Explanatory Statement pursuant to Section 102, 110 and other applicable provisions, if any, of the Act pertaining to the said Resolutions setting out material facts and the reasons for the Resolutions is also annexed.

You are requested to peruse the proposed Resolutions along with the Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

## **SPECIAL BUSINESS**

### **1. APPROVAL OF 'BLUE STAR EMPLOYEES STOCK OPTION SCHEME 2024'**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Rules made

thereunder, applicable regulations of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (hereinafter referred to as 'SEBI Regulations') including any statutory modification(s) or re-enactment(s) thereof, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the members of the Company be and is hereby accorded to the introduction and implementation of 'Blue Star Employees Stock Option Scheme 2024' ('ESOP 2024'), the salient features of which are detailed in the Explanatory Statement to this Notice and to authorise the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), to create, issue, offer, grant and allot from time to time, in one or more tranches, upto 5,00,000 stock options convertible into upto 5,00,000 equity shares of the face value of Rs 2/- (Rupees Two only) each fully paid-up aggregating up to approximately 0.24% of the existing paid-up equity share capital of the Company, ranking pari passu with the existing equity shares of the Company for all purposes and in all respects, including payment of dividend, to or for the benefit of the employees of the Company, exclusively working in India or outside India, who are in the employment of the Company including any Director, whether whole-time or otherwise (other than the employees or Directors who are Promoter or person belonging to the Promoter Group, Independent Directors of the Company and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) on such terms and in such manner as the Board may decide under the ESOP 2024, in accordance with the SEBI Regulations and other applicable laws;

**RESOLVED FURTHER THAT** the ESOP 2024 shall be administered and implemented through a Trust under SEBI Regulations proposed to be setup by the Company;

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any, additional stock options shall be granted by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the above ceiling in terms of number of equity shares shall be deemed to be increased to the extent and in proportion to the additional equity shares issued in the aforesaid corporate action(s);

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be transferred by the Trust and the price of acquisition payable by the option grantees under ESOP 2024 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs 2/- (Rupees Two only) per equity share shall bear 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 said option grantees and the ceiling in terms of number of equity shares specified above shall be deemed to be adjusted accordingly;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOP 2024;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take requisite steps for listing of the equity shares issued / allotted under ESOP 2024 on the Stock Exchanges where the equity shares of the Company are listed in due compliance with SEBI Regulations and other applicable laws;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things, as it may, at its absolute discretion, deem necessary including authorisation or issuance of directions to appoint merchant bankers, advisors, solicitors, consultants or representatives, being incidental to the effective implementation and administration of ESOP 2024 and make applications to the appropriate authorities for their requisite approvals and settle all such questions, difficulties or doubts whatsoever, which may arise and take all such steps and decisions in this regard;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to devise, formulate, modify, change, vary, alter, amend, suspend or terminate ESOP 2024, subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and further to delegate the administration of ESOP 2024 to the Trust and execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to ESOP 2024 and to do all other things incidental to and ancillary thereof.”

**2. APPROVAL OF BLUE STAR EMPLOYEES STOCK OPTION SCHEME 2024 FOR THE EMPLOYEES OF GROUP COMPANIES INCLUDING SUBSIDIARY(IES) AND/ OR ASSOCIATE COMPANY(IES) OF THE COMPANY**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), and the Rules made thereunder, applicable regulations of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (hereinafter referred to as ‘SEBI Regulations’) including any statutory modification(s) or re-enactment(s) thereof, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanction, consent of the members of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution) to extend the benefits of the ‘Blue Star Employees Stock Option Scheme 2024’ (‘ESOP 2024’) in all respects (including any corporate actions, sub-division and consolidation of equity shares, payment of dividend) referred in Resolution No. 1 of this Postal Ballot Notice dated August 26, 2024 and explanatory statement hereunder, to or for the benefit of the employees, exclusively working in India or outside India, who are in the employment of the Group Company(ies) including its Subsidiary/Associate company(ies) (present and future, if any) including any Director, whether whole-time or otherwise (other than the employees or Directors who are Promoter or person belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) on such terms and in such manner as the Board may decide under the ESOP 2024, in accordance with the SEBI Regulations and other applicable laws;

**RESOLVED FURTHER THAT** the ESOP 2024 shall be administered and implemented through a Trust under the SEBI Regulations proposed to be setup by the Company;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOP 2024;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take requisite steps for listing of the equity shares issued / allotted under ESOP 2024 on the Stock Exchanges where the equity shares of the Company are listed in due compliance with SEBI Regulations and other applicable laws;

**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient to extend the benefits of ESOP 2024 for employees of its Group company(ies) including its Subsidiary / Associate company(ies) and to do all other things incidental to and ancillary thereof.”

### **3. AUTHORIZATION TO THE TRUST FOR SECONDARY ACQUISITION**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 (the ‘Act’), SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable laws including any statutory modification(s) or re-enactment(s) thereof for the time being in force (hereinafter referred to as ‘SEBI Regulations’) if any, and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), for secondary acquisition of equity shares of the Company from the secondary market through a Trust (hereinafter referred to as ‘Trust’) to be set up by the Company for implementation of ‘Blue Star Employees Stock Option Scheme 2024’ (‘ESOP 2024’) referred in Resolution Nos. 1 and 2 of this Postal Ballot Notice dated August 26, 2024 and explanatory statement hereunder, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with SEBI Regulations, not exceeding 5,00,000 (Five Lakh only) equity shares of the Company being approximately 0.24% of the existing paid-up equity share capital of the Company;

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any, additional stock options of the Company shall be granted to the employees pursuant to the ESOP 2024 for the purpose of making a fair and reasonable adjustment to the stock options granted to them, the number of paid-up equity shares in the above ceiling of approximately 0.24% of the existing paid-up equity share capital of the Company be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s);



**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, the above ceiling of approximately 0.24% shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Rs 2/- (Rupees Two only) per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the members of the Company.”

#### **4. APPROVAL FOR PROVISION OF MONEY BY THE COMPANY TO THE TRUST**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 67 and other applicable provisions of the Companies Act, 2013 (the ‘Act’), if any, read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment thereof for the time being in force (hereinafter referred to as ‘SEBI Regulations’) and other applicable laws and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company in its sole discretion (hereinafter referred to as the ‘Board’ which term shall be deemed to include any committee, including the Nomination and Remuneration Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board for providing financial assistance by way of an interest free loan (if permissible) or by providing guarantee or security for the loan granted by any Bank or Financial Institution or by way of any other permitted means, not exceeding 5% of the aggregate of the paid-up share capital and free reserves of the Company, from time to time, in one or more tranches, to the Trust as may be set up, for acquisition of equity shares of the Company and implementation of ‘Blue Star Employees Stock Option Scheme 2024’ (‘ESOP 2024’) referred in Resolution Nos. 1, 2 and 3 of this Postal Ballot Notice dated August 26, 2024 and explanatory statement hereunder, as permitted under SEBI Regulations and other applicable laws;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions,

difficulty or doubts that may arise in this regard without being required to secure any further consent or approval of the members of the Company.”

**5. REVISION IN THE TERMS OF REMUNERATION OF MR B THIAGARAJAN, MANAGING DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Articles of Association of the Company, and upon recommendation of Nomination and Remuneration Committee and approval of Board of Directors, in partial modification of the resolution passed by the members at their 72<sup>nd</sup> Annual General Meeting held on August 6, 2020 (“72<sup>nd</sup> AGM”), approval of the members be and is hereby accorded to revise the terms of the remuneration of Mr B Thiagarajan (DIN: 01790498) approved at the 72<sup>nd</sup> AGM, to include Stock Options proposed to be granted under the Blue Star Employee Stock Option Scheme 2024, the details of which are set out in the explanatory statement;

**RESOLVED FURTHER THAT**, except above, all other terms & conditions of appointment, including remuneration, approved at the 72<sup>nd</sup> AGM, remains unchanged;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Nomination and Remuneration Committee be and are hereby authorised to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**6. APPOINTMENT OF MR PONNADA VENKATA RAO AS AN EXECUTIVE DIRECTOR- PROJECTS, SOLUTIONS & INTERNATIONAL**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder and Regulation 17(1C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force (“Listing Regulations), Mr Ponnada Venkata Rao (DIN: 09177075), who was appointed by the Board of Directors as an Additional Director of the Company, with effect from August 7, 2024, under section 161 of the

Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be appointed as a Director of the Company, not liable to retire by rotation;

**RESOLVED FURTHER THAT** subject to the provisions of Sections 2(78), 2(94), 196, 197, 198, 203 and all other applicable provisions, if any, of the Act read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time, and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities in granting such approvals, permissions and sanctions, and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company, Mr Ponnada Venkata Rao (DIN: 09177075), be and is hereby appointed as an 'Executive Director - Projects, Solutions & International' for a period commencing from August 7, 2024 to July 31, 2028 (i.e. the last day of the month in which he attain the age of 65 years), not liable to retire by rotation, on such remuneration and on such terms and conditions as set out in the explanatory statement annexed hereto with liberty to the Nomination and Remuneration Committee to alter and vary the terms and conditions thereof including remuneration (within the limits set out in the explanatory statement annexed) in such manner as may be agreed to between the Nomination and Remuneration Committee and Mr Ponnada Venkata Rao subject to the same not exceeding the limits specified under Section 197 of the Act read with Schedule V of the Act, or other applicable provisions of the Act and the Listing Regulations, if any;

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of the Mr Ponnada Venkata Rao, the Company has no profits or its profits are inadequate, the Company may pay to Mr Ponnada Venkata Rao, the remuneration as mentioned in explanatory statement as the minimum remuneration, subject to receipt of the requisite approvals, if any, for a period not exceeding 3 (three) years or such other period as may be statutorily permitted;

**RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

**BLUE STAR LIMITED**

**Kasturi Buildings**

**Mohan T Advani Chowk**

**Jamshedji Tata Road**

**Mumbai 400 020**

CIN: L28920MH1949PLC006870

Tel: +91 22 6665 4000 Fax: +91 22 6665 4151

Website: [www.bluestarindia.com](http://www.bluestarindia.com)

Email: [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com)

**By Order of the Board of Directors**

**Rajesh Parte**

**Company Secretary & Compliance Officer**

**Membership No.: A10700**

**Date : August 26, 2024**

**Place : Mumbai**

**NOTES:**

1. The relevant Explanatory Statement pursuant to Section 102 and 110 of the Act read with Rule 22 of the Rules setting out the material facts and reasons for the proposed Resolutions mentioned in the Postal Ballot Notice is appended herein below for your consideration.
2. In compliance with the MCA Circulars, the Postal Ballot Notice along with the instructions regarding Remote e-Voting is being sent by email to all the Members, whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as on Friday, August 16, 2024, (the '**cut-off date**') and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company and Company's Registrar and Share Transfer Agent, Link Intime India Private Limited ("RTA").
3. The remote e-voting period will commence on Tuesday, August 27, 2024 (9:00 hours IST) and will end on Wednesday, September 25, 2024, (17:00 hours IST). (The e-voting module shall be disabled by NSDL for voting thereafter and the voting shall not be allowed beyond the said date and time.) During this period, Members of the Company holding shares either in physical form or in demat form, as on the cut-off date i.e. Friday, August 16, 2024, may cast their vote electronically.
4. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up share capital of the Company as on the cut-off date.
5. Pursuant to the applicable provisions of the Act and Rules framed thereunder and the Listing Regulations, the Company can serve notices, annual reports and other communication through electronic mode to those Members who have registered their e-mail addresses either with the Depository Participant(s) or the Company. Members who have not registered their e-mail addresses with the Company can now register the same by sending an e-mail to the RTA on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Members holding shares in demat form are requested to register their e-mail addresses with their Depository Participant(s) only.
6. The Resolutions, if approved by the requisite majority through Postal Ballot, shall be deemed to have been duly passed on Wednesday, September 25, 2024 i.e. the last date specified by the Company for receipt of votes through the Remote e-Voting process.
7. A member cannot exercise his vote by proxy on Postal Ballot.
8. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing

Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one regional daily newspaper circulating in Maharashtra (in vernacular language, i.e. Marathi).

9. In case of any query/grievance in connection with the Postal Ballot including e-voting, Members may contact NSDL by e-mail at [evoting@nsdl.com](mailto:evoting@nsdl.com) or the Company Secretary at the contact details given hereinabove or at [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com).
10. The Postal Ballot Notice is also placed on the website of the Company [www.bluestarindia.com](http://www.bluestarindia.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. All documents referred to in the Postal Ballot Notice will also be available electronically for inspection, without any fee, to the Members from the date of circulation of the Postal Ballot Notice up to the closure of the voting period. Members desirous of inspecting the documents referred to in the Notice or Statement may send their requests to [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com) from their registered e-mail addresses mentioning their names, folio numbers/DP ID and Client ID.29
12. The results of the postal ballot will be placed on the Company's website at [www.bluestarindia.com](http://www.bluestarindia.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and will also be intimated to the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited, in accordance with the provisions of Listing Regulations. The Company will also display the results of the postal ballot at its registered office as well as corporate office.

## **VOTING THROUGH ELECTRONIC MEANS**

In compliance with provision of Section 108, 110 and other applicable provisions of the Act read with Rules framed thereunder, Regulation 44 of the Listing Regulations and SS-2, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their vote electronically instead of dispatching the physical Postal Ballot form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its members.

The instruction for e-voting are as under:

The e-voting period commences on Tuesday, August 27, 2024 (9:00 hours IST) and will end on Wednesday, September 25, 2024, (17:00 hours IST). During this period, Members of the Company holding shares either in physical form or in demat form, as on the cut-off date i.e. Friday, August 16, 2024, may cast their vote electronically. The

e-voting module shall be disabled by NSDL for voting thereafter and the voting shall not be allowed beyond the said date and time.

**THE DETAILS OF THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE EXPLAINED AS MENTIONED BELOW:**

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

**Step 1: Access to NSDL e-voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-voting system.**





**Step 1: Access to NSDL e-Voting system**

**A. Login method for e-Voting for Individual shareholders holding securities in demat mode**

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

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

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL	1. If you are already registered for <b>NSDL IDeAS facility</b> , please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under “ <b>IDeAS</b> ” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider –</b>

	<p><b>NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your 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 NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in	<ol style="list-style-type: none"> <li>1. Existing users who have opted for <b>Easi/Easiest</b> facility, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website at <a href="http://www.cdslindia.com">www.cdslindia.com</a> and</li> </ol>



<p>demat mode with CDSL</p>	<p>click on login icon and New System Myeasi tab and then use your existing my easi username &amp; password.</p> <ol style="list-style-type: none"> <li>2. After successful login to the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see the e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website at <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login and New System Myeasi tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile and Email id as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at toll free no.: 022 – 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

**B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID

	For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 103221 then user ID is 103221001***

5. 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 your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.com](mailto:evoting@nsdl.com) mentioning your demat account

number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system**

### **How to cast your vote electronically on NSDL e-Voting system?**

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

## **GENERAL GUIDELINES FOR SHAREHOLDERS**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to [navnitlb@nlba.in](mailto:navnitlb@nlba.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on “**Upload Board Resolution/Authority Letter**” displayed under “**e-Voting**” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022 – 4886 7000 or send a request to Ms Pallavi Mhatre, Senior Manager – NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com).

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card) and AADHAAR (self-attested scanned copy of Aadhaar Card) by email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), name of shareholder, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholders may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**IN CASE OF MEMBERS WHO HAVE NOT REGISTERED THEIR EMAIL ADDRESS:**

In terms of the MCA Circulars, the Company will send Postal Ballot Notice in electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the members would take place through the remote e-voting system only. Therefore, those members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

- (i) In light of the MCA Circulars, members who have not registered their email address and in consequence could not receive the postal ballot/ e-voting notice may temporarily get their email registered with the Company's RTA, Link Intime India Private Limited, by clicking the link: [https://linkintime.co.in/EmailReg/email\\_register.html](https://linkintime.co.in/EmailReg/email_register.html) and following the registration process as guided thereafter. Post successful registration of the email, the members would get soft copy of the notice and the procedure for e-voting along

with the User ID and the Password to enable e-voting for this Postal Ballot. In case of any queries, members may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

- (ii) It is clarified that for permanent registration of email address, the members are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited.

## **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NOS. 1 TO 4**

The Employee Stock Option Scheme ('ESOP') is a tool to motivate the employees of the Company and its Group companies for their contribution towards the growth of the Company, to foster a spirit of entrepreneurial mindset, and to retain them for ensuring sustained growth. ESOP enables the alignment of personal goals of the employees with organisational objectives by allowing their participation in the ownership of the Company.

ESOP has become a necessary tool to attract good external talent and many of the recruits who already enjoy ESOP's in their existing organizations seek a similar participative compensation.

Keeping the aforesaid objectives in mind and based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors at their meeting held on August 6, 2024, formulated and approved the 'Blue Star Employees Stock Option Scheme 2024' ('ESOP 2024'), subject to the approval of the members, in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment(s) thereof (hereinafter referred to as 'SEBI Regulations') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof.

ESOP 2024 shall be administered and implemented through a Trust (hereinafter referred to as 'Trust'). The Trust shall acquire equity shares of the Company by either subscribing to fresh issue of equity shares by the Company ('Primary Acquisition') and/or by acquiring from secondary market ('Secondary Acquisition'). Towards the said acquisition and implementation of the ESOP 2024, the Company proposes to provide financial assistance by way of an interest free loan (if permissible) or by providing guarantee or security for the loan granted by any Bank or Financial Institution or by way of any other permitted means, not exceeding 5% of the aggregate of the paid-up share capital and free reserves of the Company, from time to time, in one or more tranches, to the Trust, in accordance with SEBI Regulations, Companies Act, 2013 ('Act') and other applicable laws.

In terms of Regulation 6 of SEBI Regulations, for offer of the ESOP 2024 to the employees of the Company, approval of the members by way of Special Resolution is required. Further, approval of the members by way of separate Special Resolution is also required for extending the benefits of the ESOP 2024 to the employees of the Group company(ies) including subsidiary(ies) / associate company(ies) of the Company. Additionally, approval of members is required for Secondary Acquisition of equity shares by the Trust and for provision of financial assistance by the Company to the Trust for acquisition of equity shares of the Company. Accordingly, the Resolutions

contained at Item Nos. 1 to 4 set out in the Postal Ballot Notice are being placed for approval of the Shareholders of the Company.

**I. The salient features of the ESOP 2024 are as under:**

**a) Brief description of the ESOP 2024:**

ESOP 2024 shall be implemented through an Irrevocable Trust proposed to be setup in accordance with provisions of the Indian Trusts Act, 1882 and as per the requirements prescribed under SEBI Regulations.

ESOP 2024 shall apply only to the employees, working in India or outside India, who are in the employment of the Company and/or Subsidiaries and/or its Associate company including any Director, whether whole-time or otherwise (other than the employees or Directors who are Promoter or person belonging to the Promoter Group, Independent Directors of the Company and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company).

The NRC of the Company shall act as Compensation Committee for the supervision of ESOP 2024 and the Trust shall administer ESOP 2024 under the guidance of the NRC. All questions of interpretation of ESOP 2024 shall be determined by the NRC or Trust as per the terms of ESOP 2024.

ESOP 2024 shall be deemed to have come into force on the date of receipt of shareholders' approval.

The objectives of the ESOP 2024 are:

- To motivate the employees / directors with incentives and reward opportunities;
- To achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the employees / directors which will lead to long-term wealth creation; and
- To create a sense of ownership and participation amongst the employees / directors or otherwise increase their proprietary interest.

**b) Total number of options to be granted:**

The total number of stock options to be granted under the ESOP 2024 shall not exceed 0.24% of the existing outstanding paid-up equity share capital of the Company i.e. upto 5,00,000 equity shares. Each option shall be convertible into one equity share of Rs 2/- (Rupees Two Only) each fully paid-up.

In case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any, additional employee stock options of the Company shall be granted to the employees for the purpose of making a fair and reasonable adjustment to



the stock options granted to them and accordingly, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

In case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be transferred by the Trust and the price of acquisition payable by the option grantees under ESOP 2024 shall automatically stand augmented or reduced, as the case may be, in the same proportion, as the present face value of Rs 2/- (Rupees Two only) per equity share shall bear 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 said option grantees and the ceiling in terms of number of equity shares specified above shall be deemed to be adjusted accordingly.

**c) Identification of classes of employees entitled to participate in the ESOP 2024:**

Following classes of employees are entitled to participate in the ESOP 2024:

- (i) an employee as designated by the company, who is exclusively working in India or outside India;
- (ii) a director of the company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director;
- (iii) an employee as defined in sub-clauses (i) or (ii), of a group company(ies) including subsidiary or associate company, in India or outside India but does not include-
  - a) an employee who is a promoter or a person belonging to the promoter group; or
  - b) a director 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.

The stock options to be granted to the employees would be based on eligibility criteria (including but not limited to performance, merit, grade, conduct and length of service of the employee) determined by the NRC, in its absolute discretion, from time to time.

**d) Requirements of vesting, period of vesting and maximum period within which options shall be vested:**

There shall be a minimum period of one year between the grant of stock options and vesting of stock options. The stock options granted to any employee shall vest, in one or more tranches, within the vesting period in the manner as set forth in the grant letter subject to maximum period of 5 years from the date of grant or such lesser period as may be decided by the NRC at its sole discretion from time to time.

Subject to the terms of the ESOP 2024, the vesting of stock options shall be time based and/or linked to Company's Performance (based on the parameters as may be determined by NRC) as mentioned in the grant letter.

The vesting of Stock Options shall be governed by the terms and conditions as provided under the ESOP 2024. It is proposed that vesting of at least 25% and maximum 50% of the Stock Options granted during any financial year will be linked to Company's performance on certain performance criteria as may be prescribed by the NRC and the Board, from time to time.

**e) Exercise Price/Pricing formula:**

The exercise price of stock options shall be at the face value of equity share of the Company as on the grant date. Presently, the face value of equity share of the Company is Rs 2 /- (Rupees Two only).

**f) Exercise Period and the process of Exercise:**

The stock options which have been granted and vested shall be exercised by the employee within the exercise period in the manner as set forth in the grant letter subject to maximum period of 7 years from the date of grant or such lesser period as may be decided by the NRC at its sole discretion from time to time.

For the purpose of exercise of vested stock options, the employee is required to pay exercise amount along with perquisite tax and submit an exercise letter to the Company/Trust.

The vested stock options will lapse if not exercised within the specified exercise period.

**g) Appraisal Process for determining the eligibility of the employees to ESOP 2024:**

The stock options to be granted to the employees would be based on eligibility criteria (including but not limited to performance, merit, grade, conduct and length of service of the employee) determined by the NRC, in its absolute discretion, from time to time.

**h) Maximum number of stock options to be issued per employee and in aggregate:**

Maximum number of stock options that can be granted per employee during the tenure of the ESOP 2024 shall not exceed 1,00,000 stock options. Further, the maximum number of stock options, in aggregate, that may be granted pursuant to ESOP 2024 shall not exceed 5,00,000 stock options.

The above numbers will be subject to adjustment with regards to various corporate actions which the Company may come out with.

**i) Maximum quantum of benefits to be provided per employee under ESOP 2024:**

The maximum quantum of benefits underlying the stock options granted to an employee can be construed to be an amount equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of stock options, on the basis of difference between the stock option Exercise Price and the Market Price of the equity shares on the exercise date.

**j) Whether the ESOP 2024 is to be implemented and administered directly by the Company or through a Trust:**

The ESOP 2024 will be implemented through an Irrevocable Trust proposed to be setup in accordance with provisions of the Indian Trusts Act, 1882 and as per the requirements prescribed under SEBI Regulations.

**k) Whether the ESOP 2024 involves new issue of shares by the Company or secondary acquisition or both:**

The ESOP 2024 will be implemented through a Trust involving new issue of equity shares by the Company or secondary acquisition or combination thereof.

**l) Amount of loan to be provided for implementation of the ESOP 2024 by the Company to the Trust, its tenure, utilization, repayment terms, etc.:**

The Board or the Committee of the Board shall decide on the amount of loan including by way of providing guarantee or security for the loan granted by any Bank or Financial Institution or by way of any other permitted means, not exceeding 5% of the aggregate of the paid-up share capital and free reserves of the Company, its tenure and terms thereof to be provided to the Trust for the purpose of implementation of the ESOP 2024.

The funds provided will be utilized by the Trust, inter-alia, for acquisition of equity shares from the secondary market and/or for subscribing to fresh issue of equity shares by the Company. The repayment terms shall be mutually determined between the Board or the Committee of the Board and the Trustees.

**m) Maximum percentage of secondary acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purposes of the ESOP 2024:**

The Trust can undertake secondary acquisition of equity shares of the Company so that the total number of equity shares under secondary acquisition held by the Trust shall not exceed 0.24% of the existing paid-up equity share capital of the

Company. In case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any, additional employee stock options of the Company shall be granted to the employees for the purpose of making a fair and reasonable adjustment to the stock options granted to them, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

**n) A statement to the effect that the Company shall conform to the accounting policies specified in Regulation 15 of SEBI Regulations:**

The Company shall comply with the disclosure and accounting policies prescribed in Regulation 15 of SEBI Regulations and any other authorities as applicable, from time to time.

**o) Method of valuation of stock option by the Company:**

The Company shall use the Fair Value Method for valuation of the stock options as prescribed under the Accounting Standards, as applicable and notified by appropriate authorities from time to time.

**p) Declarations:**

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the stock options shall be disclosed in the Directors' Report and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

**q) Period of lock-in:**

The equity shares allotted upon exercise of stock options under the ESOP 2024 are not subject to any lock in period.

**r) Terms & conditions for buyback, if any, of specified securities covered under SEBI Regulations:**

The Board in accordance with applicable laws shall lay down the procedure for buy-back of specified securities issued under ESOP 2024, to be undertaken by the Company at any time under the SEBI (Buyback of Securities) Regulations, 2018, which shall also include:

- (i) permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
- (iii) limits upon quantum of specified securities that the company may buy-back in a financial year.

**II. The details required in the Explanatory Statement for the provision of money, under Section 67 of the Companies Act, 2013 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, are as follows:**

**a) Class of employees for whose benefit the ESOP 2024 is being implemented and money is being provided for purchase of shares:**

As mentioned in Clause I.(c) above.

**b) Particulars of the Trustee(s) or Employees in whose favour such shares are to be registered:**

The Trust will acquire equity shares by way of primary issuance by the Company and/or through secondary acquisition of equity shares of the Company. The equity shares will be registered in the name of all or any of the Trustees of the Trust to hold equity shares of the Company for and on behalf of the Trust. The equity shares acquired by the Trust shall be transferred to the employees on exercise of vested stock options and registered in their respective names upon such transfer.

**c) The particulars of Trust and name, address, occupation and nationality of Trustees and their relationship with the Promoters, Directors or Key Managerial Personnel (KMP), if any:**

**i) Particulars of Trust:**

An Irrevocable Trust is proposed to be set-up with the name 'Blue Star ESOP Trust' or such other name as may be decided by NRC/Board, having its office at such place as may be decided by the Board.

**ii) Particulars of Trustee:**

The Trustee(s) of the Trust would be appointed by the Board/NRC and in compliance with the applicable provisions of the Act and the SEBI Regulations. A person shall not be appointed as a Trustee, if he/she is a director, key managerial personnel or promoter of the Company or its Group company(ies) including its Subsidiary / Associate Company(ies) or any relative of such director, key managerial personnel or promoter or if he/she beneficially holds 10% or more of the paid-up share capital of the Company.

**d) Any interest of Key Managerial Personnel, Directors or Promoters in such ESOP 2024 or Trust and effect thereof:**

As per the SEBI Regulations and terms of ESOP 2024, the Promoters and Independent Directors of the Company are not entitled to any stock options. The key managerial personnel and non-promoter directors of the Company may be

deemed to be concerned or interested in ESOP 2024 to the extent of the number of stock options that may be granted to them pursuant to ESOP 2024.

**e) The detailed particulars of benefits which will accrue to the employees from the implementation of ESOP 2024:**

The eligible employees shall be granted stock options under ESOP 2024 which would vest subject to vesting conditions. After vesting and on exercise of the stock options, the Trust/ Trustees shall transfer corresponding number of equity shares to the employees at the pre-determined exercise price as per the terms of the grant. The employees would get the benefit on sale of equity shares depending on sale price of such equity shares.

**f) The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the ESOP 2024 would be exercised:**

The voting rights in respect of the equity shares will be exercised by the employees on transfer of equity shares by the Trust to them upon exercise of the stock options. The Trustees of the Trust shall not vote in respect of the equity shares held by the Trust.

As the ESOP 2024 provides for issue of shares to be offered to persons other than existing shareholders of the Company, consent of the shareholders is being sought pursuant to Section 62(1) and all other applicable provisions, if any, of the Act and relevant SEBI Regulations.

The draft copy of the ESOP 2024 and Trust deed are available for inspection at the Company's Registered Office during official hours on all working days. Alternately, members may also send their requests to [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com) from their registered e-mail addresses mentioning their names, folio numbers, DP ID and Client ID during the voting period of the Postal Ballot.

None of the Promoters and Independent Directors of the Company and their relatives are concerned or interested, financially or otherwise in the Resolutions stated at Item Nos. 1 to 4. Other Directors and Key Managerial Personnel may be deemed to be interested in the above resolutions to the extent of their respective shareholding in the Company and number of stock options which may be granted to them, if any, pursuant to implementation of the ESOP 2024.

The Board accordingly recommends the passing of the Special Resolutions set out at item Nos. 1 to 4 in this Postal Ballot Notice for approval of members.

## **ITEM NO. 5**

At the 72<sup>nd</sup> Annual General Meeting of the Company held on August 6, 2020 ('72<sup>nd</sup> AGM'), the members had approved the appointment and remuneration payable to Mr B Thiagarajan (DIN: 01790498) as the Managing Director of the Company for a period of five (5) years commencing from April 1, 2021 and ending on March 31, 2026.

The terms of the remuneration approved by the members at the 72<sup>nd</sup> AGM, inter alia, includes Performance Linked Incentives ('PLI') i.e. variable performance pay linked to his performance ratings in accordance with the scheme(s) of the Company and Perquisites including such other perquisites and / or cash compensation in accordance with the Rules applicable to other senior executives of the Company.

The Board of Directors at its meeting held on August 6, 2024, upon recommendation of the Nomination and Remuneration Committee ('NRC') and subject to approval of the members of the Company, approved the 'Blue Star Employees Stock Option Scheme 2024' ('ESOP 2024') for the benefit of the employees of the Company, whether working in India or outside India, including employees who are in the employment of the Group Company(ies) including its Subsidiary / Associate company(ies) (present and future) including any Directors, whether whole-time or otherwise (other than the employees or Directors, who are Promoters or person belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company).

The Board of Directors, pursuant to recommendation of NRC, intends to seek approval of the shareholders for revision in the terms of remuneration as approved at the 72<sup>nd</sup> AGM by addition of proposed Stock Options to be granted under ESOP 2024.

In line with the Nomination and Remuneration Policy and subject to approval of the Shareholders, it is proposed to grant Stock Options to Mr B Thiagarajan upto 65% of his fixed remuneration (comprising basic, perquisites and retirals) for any financial year. However, the total Stock Options to be granted to him under ESOP 2024, during the term of his appointment shall not exceed 1.50 times of the fixed remuneration for FY2024-25.

In accordance with the terms of the resolution approved by the members at the 72<sup>nd</sup> AGM, the NRC and the Board have approved fixed remuneration (comprising basic, perquisites and retirals) to Mr B Thiagarajan of Rs 585 lakhs for FY 2024-25. Accordingly, for FY25, Mr B Thiagarajan shall be eligible for Stock Options not exceeding Rs 381 lakhs and during the term of his appointment, Mr B Thiagarajan shall be eligible for total Stock Options not exceeding Rs 877.50 lakhs under ESOP 2024.

The vesting of Stock Options granted to Mr B Thiagarajan, shall be governed by the terms and conditions as provided under the ESOP 2024. It is proposed that vesting of at least 25% and maximum 50% of the Stock Options granted to him during any

financial year will be linked to Company's performance on certain performance criteria as may be prescribed by the NRC and the Board, from time to time.

The exact perquisite value of the Stock Options proposed to be granted, would depend on the actual number of options that may be granted by NRC, number of options exercised by Mr B Thiagarajan and the market price of the equity shares as on the date of exercise of options. As on date of this notice, there are no Stock Options granted to any employees of the Company.

The proposed Stock Options as mentioned above and the remuneration approved at the 72<sup>nd</sup> AGM shall be paid as minimum remuneration in the event of loss or inadequacy of profit.

Except above, all other terms of his remuneration, as approved by the members at the 72<sup>nd</sup> AGM held on August 6, 2020, shall remain unchanged.

In view of the above, the Board of Directors recommend the Special Resolution for approval of the members.

Copy of the draft Agreement setting out the terms and conditions is available for inspection of the members during remote e-voting period. Members seeking to inspect copy of the agreement may send a request at [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com).

Brief profile and other details of Mr B Thiagarajan as required under the SEBI Listing Regulations and Secretarial Standard on General Meetings are provided under 'Annexure – I' to this Postal Ballot Notice.

Save and except Mr B Thiagarajan, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolutions set out under Item No. 5 of this Notice.

## **ITEM NO. 6**

The Nomination & Remuneration Committee (NRC) assesses the Board Composition and makes recommendations to the Board for appointment of new Directors. NRC and the Board of Directors, while assessing the Board Composition, ensure that it has the appropriate mix of skills, experience and knowledge for continued effectiveness. NRC, while evaluating the suitability of a board member, inter-alia, considers qualifications, positive attributes, skills, experience, expertise, independence (in case of appointment of independent director), diversity, knowledge, ability of the candidates to devote sufficient time and attention to the professional obligations etc.

In view thereof, NRC evaluated candidature of Mr Ponnada Venkata Rao, aged 61, President & Chief Operating Officer – Electro-Mechanical Projects & Air Conditioning Solutions Group of the Company, who has been associated with the Company for a period of 36 years, for the position of an Executive Director - Projects, Solutions &



International. NRC reviewed his past performance recognizing his contributions in various roles and leadership positions. Mr Rao has been instrumental in the growth and success of the Room Air Conditioners, Commercial Refrigeration, Commercial Air Conditioning, Electro-Mechanical Projects and Service businesses, consistently delivering results across multiple capacities. His extensive experience spans across the Western, Northern, and Southern regions, and he has also demonstrated exceptional leadership as the Head of Corporate HR from 2016 to 2019. In 2019, Mr Rao was promoted to the position of President, Electro-Mechanical Projects & Customer Service, where he continued to drive success. Following the Corporate Reorganization in 2020, he was entrusted with the leadership of the newly established Electro-Mechanical Projects and Air Conditioning Solutions Group. Throughout his tenure, Mr Rao has exhibited extraordinary operational skills, especially result orientation and customer centricity. He has played a significant role in the turnaround of Electro-Mechanical Projects Group, scaling and making it a profitable one with commercial discipline.

NRC, after review and considering the qualifications, skillsets, experience, industry knowledge of Mr Rao, recommended to the Board his appointment as an Additional Director designated as an Executive Director - Projects, Solutions & International on the Board of the Company and a Key Managerial Personnel of the Company for a period commencing from August 7, 2024 to July 31, 2028 i.e. the last day of the month in which he attain the age of 65 years (both days inclusive), not liable to retire by rotation. The Nomination and Remuneration Policy of the Company provides the age of retirement for the Executive Directors as 65 years. The NRC also recommended to the Board the terms of remuneration payable to Mr Rao as an Executive Director - Projects, Solutions & International during the term of his appointment. In accordance with the terms, Mr Rao, effective August 7, 2024, shall be paid fixed compensation of Rs 310 lakhs and performance linked incentives of Rs 200 lakhs aggregating to Rs 510 lakhs.

The Board of Directors of the Company, subject to approval of the members and pursuant to the recommendation of NRC and Sections 160, 161, 196, 197 and 198 read with Schedule V and any other applicable provisions of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approved appointment (including terms of remuneration) of Mr Ponnada Venkata Rao (DIN: 09177075) as an Additional Director designated as an Executive Director - Projects, Solutions & International for a period commencing from August 7, 2024 to July 31, 2028 i.e. the last day of the month in which he attain the age of 65 years (both days inclusive), not liable to retire by rotation.

Pursuant to Section 161 of the Act, an Additional Director appointed by the Board shall hold office up to the date of the next Annual General Meeting of the Company or the last date on which the next Annual General Meeting of the Company should have been held, whichever is earlier. Section 196(4) of the Act provides that, subject to the provisions of Section 197 and Schedule V, the terms and conditions of appointment and remuneration payable to Whole-time Director shall be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next

general meeting of the Company and in terms of Regulation 17 (1C) of the Listing Regulations, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors or as a Manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

In view of the above, as per Section 161 of the Act, Mr Rao holds office upto the date of the ensuing Annual General Meeting and further, as per Regulation 17(1C) of SEBI LODR and Sections 161 and 196 and other applicable sections of the Act, the Company is required to seek approval of the shareholders for appointment of Mr Rao as an Executive Director - Projects, Solutions & International.

The Company has also received from Mr Rao consent for appointment and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Further, Mr Rao is not debarred from holding office of a Director by virtue of any order passed by SEBI or any other such authority.

The Company has received notice in writing from a member under section 160 of the Act, proposing candidature of Mr Rao for the office of Director of the Company.

#### **Brief Profile:**

*Mr Rao joined Blue Star Limited as a Trainee Engineer in 1985. He holds a degree in Mechanical Engineering with an MBA in Marketing and a Post Graduate Diploma in Industrial Relations and Personnel Management. He has also completed the 'Senior Executive Program' from London Business School.*

*Mr Rao has a long and enriching 39 years of experience in AC&R industry, including 36 years in Blue Star and brief stints with Carrier Aircon (1995-96) as Sales Manager and ETA (2014-16) as Chief Executive Officer.*

*He currently represents Blue Star Limited in CII as the member of the Western Region Council. He is a Life Member of The Indian Society of Heating, Refrigerating and Air Conditioning Engineers (ISHRAE) and the past President for its Hyderabad chapter.*

The abstract of the terms and conditions including appointment and remuneration contained in the draft Agreement as under:

#### **A. Salary:**

Basic Salary at the rate of Rs 90.70 lakhs per annum with annual increments at such rate as may be approved by the Nomination and Remuneration Committee subject to a ceiling of 30% of his basic salary.

## **B. Performance Linked Incentives:**

Performance Linked Incentives of Rs 200 lakhs with annual increments at such rate as may be approved by the Nomination and Remuneration Committee subject to a ceiling of 30% of performance linked incentives.

The Performance Linked Incentives, within the overall limit, is determined by the Nomination and Remuneration Committee and/or Board of Directors, from time to time, based on certain performance criteria and such other parameters as may be considered appropriate.

## **C. Perquisites:**

1. In addition to the salary and performance linked incentives, Mr Rao is also entitled to perquisites and allowances including furnished accommodation or house rent in lieu thereof; gas, electricity, water and furnishings; medical reimbursement and leave travel concessions for self and family; and personal accident insurance or such other perquisites and/or cash compensation in accordance with the Rules applicable to other senior executives of the Company, subject to the condition that the total perquisites, including the cash compensation, will be restricted to an amount equivalent to twice his annual basic salary.

For the purpose of calculating the above, perquisites shall be valued as per Income-Tax Rules wherever applicable.

2. Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these are, either singly or put together, not taxable under the Income-Tax Act 1961; Gratuity benefits as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of perquisites.

3. Car for use on Company's business (including amount of car lease, fuel & maintenance, running expense, driver's salary reimbursement, if any) and telephone and other communication facilities at residence will not be considered as perquisites.

## **D. Stock Options:**

In addition to the above and in line with the Nomination and Remuneration Policy, it is proposed to grant Stock Options to Mr Rao upto 37.5% of his fixed remuneration (comprising basic, perquisites and retirals) for any financial year. However, the total Stock Options to be granted to him under 'Blue Star Employees Stock Option Scheme 2024' ('ESOP 2024'), during the term of his appointment, shall not exceed 1.25 times of the fixed remuneration for FY2024-25.

The NRC and the Board of Directors, subject to approval of the shareholders, has approved fixed remuneration of Rs 310 lakhs for FY 2024-25. Accordingly, for FY2025 Mr Rao shall be eligible for Stock Options not exceeding Rs 116.25 lakhs and during the term of his appointment, Mr Rao shall be eligible for total Stock Options not exceeding Rs 387.50 lakhs under ESOP 2024.

The vesting of Stock Options granted to Mr Rao, shall be governed by the terms and conditions as provided under the ESOP 2024. It is proposed that vesting of at least 25% and maximum 50% of the Stock Options granted to him during any financial year will be linked to Company's performance on certain performance criteria as may be prescribed by the NRC and the Board, from time to time.

The exact perquisite value of the Stock Options proposed to be granted, would depend on the actual number of options that may be granted by NRC, number of stock options exercised by Mr Rao and the market price of the equity shares as on the date of exercise of Stock Options. As on date of this notice, there are no Stock Options granted to any employees of the Company.

The total remuneration shall not exceed the individual and overall ceilings prescribed under Section 197 of the Act for the time being and from time to time in force.

In the event of loss or inadequacy of profits in any financial year, the Company will pay to Mr Rao remuneration by way of salary, perquisites (including Stock Options), other allowances, benefits and performance linked Incentives as specified above.

**E. Leave:**

In accordance with the rules of the Company as applicable to other senior executives of the Company.

**F. Others:**

Reimbursement of actual entertainment expenses, actual travelling and hotel expenses for the Company's business and/or allowances as per the Company's Rules.

**G. Termination:**

The Agreement may be terminated:

- (a) forthwith by notice in writing on his vacation of office of Director by virtue of the applicable provisions of the Act; or
- (b) by giving 6 months' notice in writing by either party.

## **H. Non-solicitation:**

In consideration of the remuneration paid hereinabove, Mr Rao, post his separation or retirement, undertake not to join any Company, either as an employee, consultant, director or otherwise, which is in competition either directly or indirectly with the business carried on by the Company or its subsidiaries or shall not solicit, divert, contact or call upon the customers of the Company with the intent of doing business without prior consent of the Company.

## **I. Arbitration:**

Disputes to be settled by arbitration. Any dispute or differences arising out of or in relation to these presents shall be referred to arbitration of two arbitrators (one to be appointed by each party) and/or their Umpire, if any. Any such reference to arbitration shall be conducted and governed in all aspects in accordance with the provisions of the Arbitration & Reconciliation Act, 1996 or any statutory modification thereof for the time being in force and the arbitration shall take place at Mumbai.

Mr Rao satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub section 3 of section 196 of the Act for being eligible for his appointment as an Executive Director.

As on the date of this notice, Mr Rao is not inter-se related to any Director or Key Managerial Personnel of the Company. Mr Rao is neither a Promoter nor a member of the Promoter Group.

In compliance with Section 190 of the Act, copy of the draft agreement setting out the terms and conditions along with all relevant documents and papers referred to in this notice and explanatory statement, shall be open for inspection by the members of the Company at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays, Sundays and public holidays. members seeking to inspect documents can send an email to [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com). On receipt of requests, the Company shall arrange to make the copy available for inspection.

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

### **A. General Information:**

#### **1. Nature of Industry:**

The Company is, inter alia, in the Air Conditioning and Refrigeration industry, as well as the Mechanical, Electrical, Plumbing & Firefighting (MEP) industry.

**2. Date or expected date of commencement of commercial production:**

The Company was incorporated on January 20, 1949.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not applicable

**4. Financial performance based on given indicators – as per latest audited financial results for the year ended March 31, 2024:**

<b>Particulars</b>	<b>Rs in Crores</b>
Gross Turnover & Other Income	9,040.18
Net Profit as per Statement of Profit & Loss (After Tax)	367.50
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	535.34
Net Worth	2,510.89

**5. Foreign investments or collaborators, if any:**

Not Applicable.

**B. Information about the appointee:**

**1. Background details:**

Refer brief profile section as stated above.

**2. Past remuneration:**

Mr Rao was paid remuneration of Rs 329 Lakhs for FY24 as President & Chief Operating Officer – Electro-Mechanical Projects & Air Conditioning Solutions Group of the Company.

**3. Recognition or awards:**

Refer brief profile section as stated above.

**4. Job Profile and his suitability:**

Mr Rao shall devote his whole time and attention to the Projects, Solutions & International business of the Company and shall perform such duties as may be entrusted to him by the Board/Managing Director(s) from time to time and

separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and direction of the Board/Managing Director(s) in connection with and in the best interests of the business of the Company and the business of one or more of its associate companies and/or joint venture and/or subsidiaries, including performing duties as assigned by the Board/Managing Director(s) from time to time by serving on the Boards of such associate companies and/ or joint venture and/or subsidiaries or any other executive body or any committee of such a company.

Mr Rao, through his experience and expertise, brings a unique combination of leadership experiences, value creation skills, customer-first approach and people centricity which align well with the growth aspirations of the Company.

**5. Remuneration proposed:**

As stated above in the explanatory statement.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the size of the Company, the profile of Mr Rao, the responsibilities shouldered by him, growth in turnover and profits and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Besides the remuneration proposed to be paid to him, Mr Rao does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

**C. Other Information:**

**1. Reasons of loss or inadequate profits:**

Not applicable, as the Company has posted a net profit after tax of Rs 367.50 crores during the year ended March 31, 2024.

**2. Steps taken or proposed to be taken for improvement:**

Not applicable, as the Company has adequate profits.

### **3. Expected increase in productivity and profits in measurable terms:**

Not applicable, as the Company has adequate profits.

#### **D. Disclosures:**

The disclosures of the remuneration package of Mr Rao as per the requirements of Section II of Part II of Schedule V of the Act is to be provided under Corporate Governance Section of the Annual Report. Since the proposal for appointment of Mr Rao is being sought through postal ballot by way of electronic means, the requirements to provide disclosure are not applicable.

Additional information as required under Regulation 36 and SS-2 are provided under 'Annexure – I' to this Postal Ballot Notice.

The Board of Directors recommends the special resolution as set out at item no. 6 of the Postal Ballot Notice for appointment of Mr Rao as an Executive Director - Projects, Solutions & International for a period commencing from August 7, 2024 to July 31, 2028, for approval of the members.

Except Mr Rao as it concerns himself, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives, are financially or otherwise, concerned or interested in the said resolution.

#### **BLUE STAR LIMITED**

**Kasturi Buildings**

**Mohan T Advani Chowk**

**Jamshedji Tata Road**

**Mumbai 400 020**

CIN: L28920MH1949PLC006870

Tel: +91 22 6665 4000 Fax: +91 22 6665 4151

Website: [www.bluestarindia.com](http://www.bluestarindia.com)

Email: [investorrelations@bluestarindia.com](mailto:investorrelations@bluestarindia.com)

**By Order of the Board of Directors**

**Rajesh Parte**

**Company Secretary & Compliance Officer**

**Membership No.: A10700**

**Date : August 26, 2024**

**Place : Mumbai**



**Annexure – I**

***[Disclosures pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings]***

**ITEM NO.5**

<b>Name</b>	<b>Mr B Thiagarajan</b>
<b>Age</b>	67
<b>Director Identification Number</b>	01790498
<b>Date of first Appointment</b>	May 13, 2013
<b>Experience and Qualification</b>	B Thiagarajan holds a Bachelor's degree in Electrical and Electronics Engineering from Madurai University. He has also completed the Senior Executive Programme from London Business School. He has more than four decades of experience, having worked for reputed companies such as Larsen & Toubro Ltd, BPL Systems Ltd and Voltas Ltd, prior to joining Blue Star in 1998.
<b>Terms and conditions of appointment</b>	Not applicable, as the approval of the shareholders is sought for revision in remuneration already approved at the 72 <sup>nd</sup> AGM held on August 6, 2020.
<b>Remuneration last drawn</b>	Rs 1,124.16 Lakhs
<b>Remuneration proposed to be paid</b>	The remuneration proposed to be paid is in accordance with the resolution approved at the 72 <sup>nd</sup> AGM. The fixed compensation payable for FY25 is Rs 585 lakhs plus performance linked incentives as approved by NRC.
<b>Shareholding in the Company (Including shareholding as a beneficial owner)</b>	1,45,600 Equity Shares of Rs 2 each.
<b>Relationship with other Director/Key Managerial Personnel of the Company</b>	Mr B Thiagarajan is not inter-se related to any Director or Key Managerial Personnel of the Company.
<b>No. of Board Meetings attended during FY24</b>	5
<b>Directorships held in other companies</b>	<ol style="list-style-type: none"> <li>1. Blue Star Engineering &amp; Electronics Limited</li> <li>2. Blue Star Climatech Limited</li> <li>3. Blue Star Internation FZCO</li> <li>4. Blue Star Systems and Solutions LLC</li> <li>5. BSL AC&amp;R (Singapore) Pte. Ltd.</li> <li>6. Blue Star North America Inc.</li> <li>7. Blue Star Europe B.V.</li> <li>8. National Skill Development Corporation</li> </ol>

<b>Membership / Chairmanship of Committees in other companies (including the Company)</b>	<b><u>Blue Star Limited</u></b> 1. Audit Committee - Member 2. Risk Management Committee - Member 3. Corporate Social Responsibility and Environmental, Social and Governance Committee - Chairman 4. Share Transfer Committee - Member 5. Executive Management Committee - Member
	<b><u>Blue Star Engineering &amp; Electronics Limited</u></b> 1. Corporate Social Responsibility Committee - Chairman

**ITEM NO.6**

<b>Name</b>	<b>Mr Ponnada Venkata Rao</b>
<b>Age</b>	61
<b>Director Identification Number</b>	09177075
<b>Date of first Appointment</b>	August 7, 2024
<b>Brief Profile (including experience and qualification)</b>	As mentioned above in the explanatory statement.
<b>Nature of expertise in specific functional areas</b>	As mentioned above in the explanatory statement.
<b>Terms and conditions of appointment</b>	As mentioned above in the explanatory statement.
<b>Remuneration last drawn</b>	Rs 329 Lakhs
<b>Remuneration proposed to be paid</b>	As mentioned above in the explanatory statement.
<b>Shareholding in the Company (Including shareholding as a beneficial owner)</b>	4,102 Equity Shares of Rs 2 each.
<b>Relationship with other Director/Key Managerial Personnel of the Company</b>	Mr Rao is not inter-se related to any Director or Key Managerial Personnel of the Company.
<b>No. of Board Meetings attended during FY24</b>	Nil, Mr Rao was appointed as a Director w.e.f. August 7, 2024 at the Board Meeting held on August 6, 2024.
<b>Directorships held in other companies</b>	Blue Star Climatech Limited
<b>Membership / Chairmanship of Committees in other companies (including the Company)</b>	None
<b>Listed entities from which the person has resigned in the past three years</b>	None