

Date: 16th September 2024

BSE Limited (BSE) Department of Corporate services Phirojee Jeejeebhoy Towers Dalal Street, Mumbai – 400023	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
Scrip Code: 500136	Symbol: ESTER

Dear Sir/Madam,

Subject: Notice of Postal Ballot

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Postal Ballot Notice dated 14th September 2024 along with Explanatory Statement thereto, seeking consent of the Members of the Company on the items mentioned therein.

Please note that the aforesaid Notice is also uploaded on the Company's website at www.esterindustries.com and on the website of NSDL at www.evoting.nsdl.com. The results of the Postal Ballot will be declared on or before Friday, 18th October 2024 and the same will be informed to the Stock Exchanges within stipulated timelines.

Please take the same on your record.

Thanking you,
Yours faithfullyFor **Ester Industries Limited****Poornima Gupta**
Company Secretary & Compliance Officer**Encl: As above****Ester Industries Limited****Corporate Office :** Block-A, Plot No. 11, Infocity-I, Sector-34, Gurgaon - 122001 Haryana, India
Phone : +91-124-2656100, 4572100 **Fax :** +91-124-4572199, 2656199 **E-Mail :** info@ester.in **Website :** www.esterindustries.com**Regd. Office & Works :** Sohan Nagar, P. O. Charubeta, Khatima - 262308 Distt. Udham Singh Nagar, Uttarakhand
Phone : EPABX No. (05943) 250153-57 **Fax No.:** (05943) 250158

NOTICE OF POSTAL BALLOT

[Pursuant to Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 as amended]

Dear Member(s),

NOTICE is hereby given that pursuant to the provisions of Section 108 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, General Circulars Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December, 2021, 3/2022 dated 5th May, 2022, 11/2022 dated 28th December, 2022 and the latest one being 9/2023 dated 25th September, 2023 issued by the Ministry of Corporate Affairs, Government of India (**"MCA Circulars"**), Secretarial Standard on General Meetings (**"SS-2"**) issued by the Institute of Company Secretaries of India, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and all other applicable provisions of the Act, law, rules, circulars, notifications and regulations issued thereunder [including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force], the resolution(s) set out below are proposed to be passed by the Members of Ester Industries Limited (**"the Company"**) by way of Postal Ballot, only by way of remote e-voting (**"e-voting"**) process.

SPECIAL BUSINESS:**Item No. 1:****APPROVAL FOR ESTER EMPLOYEE STOCK OPTION PLAN 2024 AND GRANT OF STOCK OPTIONS TO THE ELIGIBLE EMPLOYEES/ DIRECTORS OF THE COMPANY UNDER THE SCHEME**

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

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the **"Companies Act"**) read with rules made there under [including any statutory modification(s) thereto or re-enactment thereof for the time being in force], enabling provisions in Memorandum and Articles of Association of the Company, and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (**"SEBI"**), as amended including the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended [**"SEBI (SBEB & SE) Regulations, 2021"**], the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), as amended and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, by Ministry of Corporate Affairs, SEBI and/or any other competent authorities, and subject to the approvals, consents, permissions and/or sanctions, as may be required from the Government of India, SEBI, Stock Exchanges, and any other relevant statutory, regulatory, governmental authorities or departments,

Ester Industries Limited

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Phone : +91-124-2656100, 4572100 **Fax :** +91-124-4572199, 2656199 **E-Mail :** info@ester.in **Website :** www.esterindustries.com

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institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and/or sanctions and which may be agreed to by 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 of the Board of Directors, to exercise its powers including the powers conferred by this Resolution*) the consent of the Members of the Company be and is hereby accorded for approval of Ester Employee Stock Option Plan 2024 (**'Plan' or 'ESOP 2024'**) and to the Board to adopt, introduce and implement ESOP 2024, the salient features of which are detailed in the Explanatory Statement to this resolution and to create, grant, offer, issue and allot under the Plan, in one or more tranches, not exceeding 18,75,000 (Eighteen Lakh Seventy Five Thousand) Options (*or such other adjusted figure for any bonus issue, right issue, stock splits/sub-division of shares or consolidations of shares or other reorganization of the capital structure of the Company as may be applicable from time to time and as defined in the Plan*) to or for the benefit of Employees and Directors of the Company, whether working in India or outside India and to such other persons as may, from time to time, be allowed to be eligible for the benefits of the Plan (as permitted under the applicable laws and regulations prevailing from time to time), exercisable into not more than 18,75,000 (Eighteen Lakh Seventy Five Thousand) Equity Shares (**"Shares"**) of face value of Rs. 5/- each (*or such other adjusted figure for any bonus issue, right issue, stock splits/sub-division of shares or consolidations of shares or other reorganization of the capital structure of the Company as may be applicable from time to time and as defined in the Plan*) on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

RESOLVED FURTHER THAT the Plan shall be administered by the Nomination and Remuneration Committee (**"Committee"**) of the Company who shall have all necessary powers as defined in the Plan and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations, 2021.

RESOLVED FURTHER THAT the Plan shall be implemented through Direct route, for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

RESOLVED FURTHER THAT the Committee be and is hereby authorized to issue and allot Equity Shares upon exercise of Options from time to time in accordance with the Plan and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, the outstanding options to be granted under the Plan shall be suitably adjusted for the number of options as well as the exercise price in a fair and reasonable manner, in accordance with the Plan.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to devise, formulate, evolve, decide upon and bring into effect the Plan as per the terms approved in this resolution read with the conditions, if any, with which consent from Shareholders is received and at any time to

modify, alter or amend the said terms subject to compliance with the SEBI (SBEB & SE) Regulations, 2021 and other applicable laws, rules and regulations, as may be prevailing at that time.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan subject to compliance with the SEBI (SBEB & SE) Regulations, 2021 and other applicable laws, rules and regulations, as may be prevailing at that time and also to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Plan and to make applications to the appropriate Authorities, for their requisite approvals and to take all necessary actions and with power on behalf of the Company to settle all such questions, issues, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

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

Item No. 2:

APPROVAL FOR GRANT OF OPTIONS TO THE ELIGIBLE EMPLOYEES/DIRECTORS OF THE SUBSIDIARY COMPANY(IES), IN INDIA OR OUTSIDE INDIA OF THE COMPANY UNDER ESTER EMPLOYEE STOCK OPTION PLAN-2024

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

“RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the **“Companies Act”**) read with rules made there under [including any statutory modification(s) thereto or re-enactment thereof for the time being in force], enabling provisions in Memorandum and Articles of Association of the Company, and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (**“SEBI”**), as amended including the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended [**“SEBI (SBEB & SE) Regulations, 2021”**], the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, by Ministry of Corporate Affairs, SEBI and/or any other competent authorities, and subject to the approvals, consents, permissions and/or sanctions, as may be required from the Government of India, SEBI, Stock Exchanges, and any other relevant statutory, regulatory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and/or sanctions and which may be agreed to by 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 of the Board of Directors, to exercise its powers including the powers conferred by this Resolution*) the consent of the Members of the Company be and is hereby accorded to the Board, to extend the scope and coverage of Ester Employee Stock Option Plan 2024 (**‘Plan’ or ‘ESOP 2024’**) and to create, grant, offer, issue and allot under the Plan, in one or more tranches, not exceeding 18,75,000 (Eighteen Lakh Seventy Five Thousand) Options (or such other adjusted figure for any bonus issue, right issue, stock splits/sub-division of shares or consolidations of shares or

other reorganization of the capital structure of the Company as may be applicable from time to time and as defined in the Plan) to or for the benefit of Employees and Directors of the subsidiary company(ies) whether working in India or outside India and to such other persons as may, from time to time, be allowed to be eligible for the benefits of the Plan (as permitted under the applicable laws and regulations prevailing from time to time), exercisable into not more than 18,75,000 (Eighteen Lakh Seventy Five Thousand) Equity Shares ("Shares") of face value of Rs. 5/- each (or such other adjusted figure for any bonus issue, right issue, stock splits/sub-division of shares or consolidations of shares or other reorganization of the capital structure of the Company as may be applicable from time to time and as defined in the Plan) on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

RESOLVED FURTHER THAT the Plan shall be implemented through Direct route, for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

RESOLVED FURTHER THAT the Committee be and is hereby authorized to issue and allot Equity Shares upon exercise of Options from time to time in accordance with the Plan and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, the outstanding options to be granted under the Plan shall be suitably adjusted for the number of options as well as the exercise price in a fair and reasonable manner, in accordance with the Plan.

RESOLVED FURTHER THAT the Board of Directors of the Company is authorized to devise, formulate, evolve, decide upon and bring into effect the Plan as per the terms approved in this resolution read with the conditions, if any, with which consent from Shareholders is received and at any time to modify, alter or amend the said terms subject to compliance with the SEBI (SBEB & SE) Regulations, 2021 and other applicable laws, rules and regulations, as may be prevailing at that time.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan subject to compliance with the SEBI (SBEB & SE) Regulations and other applicable laws, rules and regulations, as may be prevailing at that time and also to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Plan and to make applications to the appropriate Authorities, for their requisite approvals and to take all necessary actions and with power on behalf of the Company to settle all such questions, issues, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

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

Item No. 3:

ISSUANCE OF UPTO 1,10,75,941 FULLY CONVERTIBLE WARRANTS TO THE PERSONS BELONGING TO 'PROMOTER & PROMOTER GROUP' AND 'NON-PROMOTER' CATEGORY ON PREFERENTIAL BASIS

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the **“Companies Act”**) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the Companies (Share Capital and Debentures) Rules, 2014, as amended and other relevant rules made there under [including any statutory modification(s) thereto or re-enactment thereof for the time being in force], enabling provisions in Memorandum and Articles of Association of the Company, provisions of the uniform listing agreement entered into with National Stock Exchange of India Limited and BSE Limited where the equity shares of the Company are listed (**“Stock Exchanges”**), and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (**“SEBI”**), as amended including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended [**“SEBI (ICDR) Regulations”**], the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended, SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (**“Takeover Regulations”**) as amended, the Foreign Exchange Management Act, 1999 as amended and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, by Ministry of Corporate Affairs, SEBI and/or any other competent authorities, and subject to the approvals, consents, permissions and/or sanctions, as may be required from the Government of India, SEBI, Stock Exchanges, and any other relevant statutory, regulatory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and/or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee, which the Board has constituted or may hereafter constitute, to exercise one or more of its powers, including the powers conferred hereunder), consent of the Members of the Company be and is hereby accorded to the Board to create, issue, offer and allot, on a preferential basis, **up to 1,10,75,941 (One Crore Ten Lakh Seventy Five Thousand Nine Hundred and Forty One) Fully Convertible Warrants (“Warrants”)** at an issue price of **Rs. 158/- (Rupees One Hundred and Fifty-Eight Only)** per warrant, determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, to be convertible at an option of Warrant holder(s) in one or more tranches, within 18 (Eighteen) months from its allotment date into an equivalent number of fully paid-up equity shares of the face value of Rs. 5 /- each for cash, for an aggregate amount of up to Rs. 1,74,99,98,678/- (Rupees One Hundred Seventy-Four Crores Ninety Nine Lakhs Ninety Eight Thousand Six Hundred and Seventy Eight Only), and to issue Fresh Equity shares on the conversion of Warrants on such further terms and conditions as may be finalized by the Board of Directors, to the below mentioned entities belonging to the **“Promoter & Promoter Group”** and **“Non-Promoter Group”** category (**“Proposed Allottees”**) in the manner as follows:

Sr. No.	Name of the Proposed Allottee	Category	No. of Warrants to be allotted (Up to)
1.	Mr. Arvind Singhania	Promoter	37,97,468
2.	MOVI Limited	Promoter & Promoter Group	25,31,645
3.	K&K Ventures through its partners viz. Mr. Kavish Vaibhav Shah and Mr. Krishang Vaibhav Shah	Non-Promoter	15,82,278

4.	Mr. Malay Ashokbhai Shah	Non-Promoter	1,58,227
5.	Master Reeyan Rohan Shah through his Legal Guardian Mr. Rohan Shah	Non-Promoter	1,58,227
6.	Mr. Raj Vardhan Kejriwal	Non-Promoter	6,32,911
7.	Riti Foundation (Trust)	Non-Promoter	4,43,037
8.	RR Foundation (Trust)	Non-Promoter	4,43,037
9.	S.R. Foundation (Trust)	Non-Promoter	4,43,037
10.	Suruchi Foundation (Trust)	Non-Promoter	4,43,037
11.	Swati Foundation (Trust)	Non-Promoter	4,43,037
TOTAL			1,10,75,941

RESOLVED FURTHER THAT in terms of the provisions of Regulation 161 of Chapter V of SEBI (ICDR) Regulations, the '**Relevant Date**' for purpose of determining the minimum issue price of Warrants shall be **Monday, 16th September 2024**, i.e., being the date, which is 30 days prior to the last date of e-voting (i.e., Wednesday, 16th October 2024).

RESOLVED FURTHER THAT aforesaid issue of Warrants shall be subject to the following terms and conditions:

- a) The conversion of warrants into equity shares shall happen at any time, in one or more tranches, within a period of eighteen (18) months from the date of allotment of warrants in terms of SEBI (ICDR) Regulations.
- b) The Proposed Allottee(s) shall, on or before the date of allotment of Warrants, pay an amount equivalent to at least 25% of the Warrant Issue Price fixed per Warrant, in terms of the SEBI (ICDR) Regulations, which will be kept by the Company to be adjusted and appropriated against the Warrant Issue Price of the Equity Shares. The balance 75% of the Warrant Issue Price shall be payable by the Warrant Holder at the time of exercising the Warrants.
- c) Warrants, being allotted to the Proposed Allottee(s) and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock-in for such period as may be prescribed under SEBI (ICDR) Regulations.
- d) Warrants so allotted under this resolution and Equity Shares arising on conversion thereof shall not be sold, transferred, hypothecated, or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.
- e) Warrants shall be issued and allotted by the Company only in dematerialized form within a period of 15 days from the date of passing a Special Resolution by the members, provided that where the issue and allotment of said warrants is pending on account of pendency of any approval for such issue and allotment by the Stock Exchange and/or Regulatory Authorities, or Central Government, the issue and allotment shall be completed within the period of 15 days from the date of last such approval or within such further period/s as may be prescribed or allowed by the SEBI, the Stock Exchange and/or Regulatory Authorities etc.

- f) The consideration for allotment of Warrants and/or Equity Shares arising out of exercise of such Warrants shall be paid to the Company from the bank account of the Proposed Allottee(s).
- g) In the event the Warrant Holder(s) do not exercise Warrants within the Warrant Exercise Period, the Warrants shall lapse, and the amount paid shall stand forfeited by the Company.
- h) The Warrants by themselves, until converted into Equity Shares, do not give to the Warrant Holder any voting rights in the Company in respect of such Warrants.
- i) The Resulting Equity Shares will be listed and traded on the stock exchange, where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permission(s) and approval(s), as the case may be.

RESOLVED FURTHER THAT the Equity Shares proposed to be so allotted upon conversion of Warrants shall rank *pari-passu* in all respects including as to dividend, with the existing fully paid-up Equity Shares of face value of Rs. 5/- (Rupees Five Only) each of the Company, subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution Mr. Arvind Singhania, Chairman & CEO, Mr. Pradeep Kumar Rustagi, Executive Director-Corporate Affairs, Mr. Sourabh Agarwal, Chief Financial Officer and Ms. Poornima Gupta, Company Secretary & Compliance Officer of the Company and Committee of the Board of Directors be and are hereby authorized severally on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient, including without limitation circulation of the Private Placement Offer Letter in Form PAS-4 as prescribed under the Act, to make application to Stock Exchanges for obtaining of in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said warrants, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders.”

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

**Place: Gurugram
Date: 14th September 2024**

**Sd/-
Poornima Gupta
Company Secretary & Compliance Officer
ACS: 49876**

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”) and other applicable provisions, as amended from time to time setting out all material facts relating to the resolutions mentioned in this Postal Ballot Notice is annexed hereto.
2. In compliance with the MCA Circulars, the Notice is being sent by electronic mode only to those Members whose names appear in the Register of Members/List of Beneficial Owners and whose e-mail IDs are registered with the Company/Depositories/RTA as on the cut-off date i.e. Friday, 13th September 2024. The Members who have not registered their e-mail IDs are requested to follow the instructions given under Point No. 8.
3. The Board of Directors of the Company have appointed Mr. Akash Jain, Practicing Company Secretary as the Scrutinizer to scrutinize the postal ballot process including votes cast through remote e-voting in a fair and transparent manner.
4. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act read with Rules 20 & 22 of the Companies (Management and Administration) Rules, 2014 (as amended), and Regulation 44 of SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs, the Company has engaged the National Securities Depository Limited (“NSDL”) as the authorized agency to provide the remote e-voting facility (i.e. the facility of casting votes by a Member by using an electronic voting system).
5. The Members, whose names appear in the Register of Members/List of Beneficial Owners as on 13th September 2024, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice through remote e-voting only. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the said cut-off date. Hard copy of the Postal Ballot Notice along with the Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot and Members are required to communicate their assent or dissent only through the remote e-voting system. This Postal Ballot is being initiated in compliance with the MCA Circulars.
6. This Notice is also available on the Company’s website i.e. www.esterindustries.com and also on the website of stock exchanges i.e. www.bseindia.com and www.nseindia.com and on the website of NSDL i.e. www.evoting.nsdl.com. A person who is not a member as on the cut-off date should treat this Notice of Postal Ballot for information purposes only.
7. The remote e-voting period will commence at 9:00 a.m. (IST) on Tuesday, 17th September 2024 and will end at 5:00 p.m. (IST) on Wednesday, 16th October 2024. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Resolution passed by the Members through this Postal Ballot (through remote e-voting) shall be deemed to have been passed as if it has been passed at a General Meeting of the Members. The resolutions, if approved by the requisite majority of Members by means of Postal Ballot, shall be deemed to have been passed on the last date of remote e-voting, i.e. Wednesday, 16th October 2024.
8. In accordance with the MCA Circulars, the Company has made necessary arrangements for the Members to register their e-mail addresses. Therefore, those shareholders who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

- **In case of Physical Holding:** Members holding shares in physical mode and who have not registered/ updated their email addresses, are requested to register/ update their email addresses by submitting duly filled and signed Form ISR-1 (available on the Company website at <https://www.esterindustries.com/sites/default/files/ISR-1.pdf>) along with self-attested copy of the PAN Card, and self-attested copy of any document (e.g. Driving License, Voter Identity Card, Passport) in support of the address of the Member, to the Company/RTA at investor@ester.in or investor@masserv.com.
 - **In case of Demat Holding:** Members holding shares in dematerialized form are requested to register/ update their e-mail addresses with the relevant Depository Participant.
9. On completion of the scrutiny of the Postal Ballot, the Scrutinizer will submit the report to the Chairman & CEO of the Company, or any other person authorized by him within prescribed timelines. The results of the Postal Ballot will be declared within two (2) working days of the conclusion of the Postal Ballot and will be displayed along with the Scrutinizer’s Report on the Notice Board of the Company at its Registered Office and its Head Office after communication to the Stock Exchanges viz. BSE Limited (www.bseindia.com) and The National Stock Exchange of India Limited (www.nseindia.com), where equity shares of the Company are listed, in accordance with the SEBI Listing Regulations and additionally be uploaded on the Company’s website www.esterindustries.com and on the website of NSDL at www.evoting.nsdl.com. The Scrutinizer’s decision on the validity of the Postal Ballot shall be final.
10. The instructions for Members for remote e-voting are as under:


E-VOTING PROCEDURE FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT FORM:

Step 1: Access to NSDL e-voting system

As per the SEBI circular dated 9th December 2020 on e-voting facility provided by Listed Companies, Individual Shareholders holding securities in demat form are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access the e-voting facility.

A. Login method for Individual shareholders holding the securities in demat form:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period.

	<ol style="list-style-type: none"> 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder /Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen 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 company name or e-voting service provider i.e., NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

	4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from an e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. 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 company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.

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 evoting@nsdl.com or call at 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 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 e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services 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 123456 then user ID is 123456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) 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.
- c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) 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:

- a) [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.

- b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at 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, the Home page of e-voting will open.

Step 2: Cast your vote electronically 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 a scanned copy (PDF/ JPG Format) of the relevant board resolution / authority letter etc. with an attested specimen signature of the duly authorized signatory(ies) for voting, to the Scrutinizer by e-mail to cs.akashjain@yahoo.com with a copy marked to 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 that you do not 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 with entering the 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 to reset the password.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and the e-voting user manual for Shareholders available at the download section of 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.

Process for those shareholders whose email addresses are not registered with the depositories for procuring user id and password and registration of E-mail addresses for e-voting for the resolutions set out in this notice:

1. Members whose shares are held in physical mode are requested to provide folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to investor@ester.in.
2. Members whose shares are held in demat mode are requested to provide DPID-Client ID (16 digit DPID + Client ID or 16 digit beneficiary ID), name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@ester.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1(A) i.e. Login method for Individual shareholders holding the securities in demat form.
3. Alternatively, Shareholders/Members may send a request to evoting@nsdl.com for procuring their user id and password for e-voting by providing above mentioned documents.

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

**Place: Gurugram
Date: 14th September, 2024**

**Sd/-
Poornima Gupta
Company Secretary & Compliance Officer
ACS: 49876**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND 110 OF THE COMPANIES ACT, 2013 READ WITH THE RELEVANT RULES

The following statement sets out all material facts relating to Item No(s). 1 to 3 mentioned in the accompanying Notice.

Item No. 1 and 2

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

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

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

Accordingly, the Board of Directors of the Company in its meeting held on 14th September 2024, approved the Ester Employee Stock Option Plan 2024 (**'Plan' or 'ESOP 2024'**) based on the recommendations of the Nomination and Remuneration Committee.

Therefore, the approval of the Members of the Company is being sought by way of a 'Special Resolution' in terms of Section 62 and other applicable provisions of the Companies Act, 2013 read with Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations, 2021") for implementation of ESOP 2024 and grant of options thereunder to the eligible Employees/Directors of the Company including its subsidiary company(ies), in or outside India, as decided from time to time as per provisions of ESOP 2024

The salient features and other details of the Plan as required in terms of Regulation 6(2) of SEBI (SBEB & SE) Regulations, 2021 are set forth below:

1. Brief Description of the Plan:

The Plan shall be called Ester Employee Stock Option Plan 2024 (**'Plan' or 'ESOP 2024'**).

The Purpose of the Plan includes the following:

- a) Retention of Employees.
- b) Enhanced performance of Employees.
- c) Wealth creation for Employees.
- d) Rewarding performance of Employees.
- e) Incentivizing Employees.

2. The total number of Options to be offered and granted under the Plan:

Subject to corporate actions as given in the Plan, the total number of Options under the Plan shall not exceed 18,75,000 (Eighteen Lakh Seventy-Five Thousand) Options ('Share Pool'), which upon exercise shall not exceed 2% of the issued equity share capital of the Company as on the effective date of the Plan. The Company reserves the right to increase such number of Shares as it deems fit.

Notwithstanding the foregoing, Shares with respect to which an Option is granted under this Plan that remain unaccepted or unexercised at the expiration or are not entitled for Vesting or forfeited or lapsed or cancelled shall be added back to the number of Options that are pending to be granted. The Company through the Nomination and Remuneration Committee may, at its discretion, Grant such Options within the overall limit determined in accordance with this Plan.

3. Identification of classes of Employees entitled to participate in the Plan:

- a. An Employee as designated by the Company, who is exclusively working in India or outside India; or
- b. 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; or
- c. an employee as defined in clauses a. or b., of a Subsidiary Company, in India or outside India, or of a Holding Company of the Company, but does not include:
 - An Employee who is a Promoter or a person belonging to the Promoter Group; or
 - A Director who either himself or through his Relative or through any Body Corporate directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

4. Requirement of Vesting and period of Vesting:

The Options granted shall vest for a period not less than 1 (one) year (except in case of death or permanent incapacity/disability of the Participant) from the Grant Date and shall extend upto a maximum period of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter. The Vesting of Options under this Plan would be subject to compliance with terms and conditions set forth under the Plan and continued employment or directorship (as the case may be) with the Company.

5. Maximum period within which the Options shall be vested:

The Options granted shall vest for a period upto a maximum period of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.

6. Exercise Price or Pricing Formula:

The Exercise Price of the Vested Options shall be determined Nomination and Remuneration Committee as on the date of Grant of Options linked with the Market Price as reduced by 20% on the

price so arrived and provided in the Letter of Grant in pursuance of this Plan. However, in any case the exercise price shall not go below the face value of the Share of the Company.

7. Exercise period and process of Exercise:

Subject to terms of this Plan and subject to Applicable Laws, a Participant/Beneficiary can Exercise Options already vested as per the vesting schedule contained in the Letter of Grant by applying to the Company during the Exercise Period, (either in full or in tranches) by way of an Exercise Application and upon payment of the Exercise Price, applicable taxes and other charges, if any. The Vested options can be exercised (either in full or in tranches) by way of an Exercise Application and upon payment of the Exercise Price. The Exercise Period shall be of is maximum 5 (five) years from the date of respective Vesting for the particular Option. In case the Participant fail to Exercise the Option(s) within the Exercise Period, the Option(s) will be forfeited. The Exercise period shall be communicated and mentioned in the Grant letter.

8. Appraisal process for determining the eligibility of the Employees to the Plan:

The eligibility to participate in this Plan is subject to such criteria as may be decided by the Nomination and Remuneration Committee at its own discretion, including, but not limited to the performance of the Employee, band of the Employee, criticality of the role, period of service with the Company, future potential or any other criteria, as the Nomination and Remuneration Committee determines.

9. The Maximum number of Options to be granted per Employee and in aggregate:

During any one year, no Employee shall be granted Options equal to or exceeding 1% of the issued share capital excluding outstanding warrants and conversions (as understood under SEBI Regulations) of the Company at the time of Grant of Options unless a separate approval from the Shareholders is taken by way of special resolution in a General Meeting.

Subject to Clause 20 of Plan, the total number of Options under the Plan shall not exceed 18,75,000 (Eighteen Lakh Seventy-Five Thousand) Options ('Share Pool'), which upon exercise shall not exceed 2% of the issued equity share capital of the Company as on the effective date of the Plan. The Company reserves the right to increase such number of Shares as it deems fit. Notwithstanding the foregoing, Shares with respect to which an Option is granted under this Plan that remain unaccepted or unexercised at the expiration or are not entitled for Vesting or forfeited or lapsed or cancelled shall be added back to the number of Options that are pending to be granted. The Company through the Nomination and Remuneration Committee may, at its discretion, Grant such Options within the overall limit determined in accordance with this Plan.

10. The Maximum quantum of benefits to be provided per Employee under the Plan:

The maximum quantum of benefits that will be provided to every eligible employee under the Plan will be the difference between the market value of Company's share on the Recognized Stock Exchanges as on the Date of Exercise of Options and the Exercise Price paid by the Eligible Employee.

11. Whether the Plan(s) is to be implemented and administered directly by the Company or through a Trust:

The Plan shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

The Plan shall be administered by the Nomination and Remuneration Committee of the Company.

12. Whether the Plan involves new issue of shares by the company or secondary acquisition by the Trust or both:

The Plan involves a fresh issue of Equity Shares by the Company.

13. The amount of loan to be provided for implementation of the Plan by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

Not applicable, since the Plan is proposed to be implemented by direct route.

14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Plan:

Not applicable, since the Plan is proposed to be implemented by direct route.

15. Disclosure and accounting policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations or as may be prescribed by regulatory authorities from time to time.

16. The method which the Company shall use to value its Options:

The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

17. Statement with regard to Disclosure in Director's Report:

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("**EPS**") of the company shall also be disclosed in the Directors' report.

18. Period of lock-in:

The shares allotted to the grantees pursuant to exercise of options shall be subject to no lock-in period from the date of allotment. The grantee is free to sell the shares.

19. Terms & conditions for buyback, if any, of specified securities:

The Committee has the powers to determine the procedure for buy-back of Options granted under the Plan, if to be undertaken at any time by the Company, and the applicable terms and conditions, in accordance with the applicable law.

The Board of Directors recommends passing of the special resolutions as set out at Item no. 1 and 2 of this notice, for approval by the members of the Company.

None of the Directors, Manager and Key Managerial Personnel of the Company, or their relatives are in anyway concerned or interested (financially or otherwise) in the resolutions set out at Item no. 1 and 2 of this notice except to the extent of their shareholding, if any or the options may be granted under the Plan.

Ester Employee Stock Option Plan 2024 and other documents referred to in the aforesaid resolutions are available for inspection at the registered office of the Company

Item No. 3

The Special Resolution contained in Item No. 3 of the notice, has been proposed pursuant to the provisions of Section 42 and Section 62 of the Companies Act, 2013 read with the applicable rules made thereunder, to issue and allot up to **1,10,75,941** (One Crore Ten Lakhs Seventy-Five Thousand Nine Hundred and Forty-One) Fully Convertible Warrants (“**Warrants**”), at an issue price of Rs. 158/- (Rupees One Hundred and Fifty-Eight Only) each, determined by the Board in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations as amended, aggregating up to Rs. 174,99,98,678/- (Rupees One Hundred Seventy-Four Crores Ninety-Nine Lakhs Ninety-Eight Thousand Six Hundred and Seventy-Eight Only), to certain persons/entities belonging to “Promoter and Promoter Group and Non-Promoter category”, on a preferential basis.

The proposed Preferential Issue shall be made in terms of the provisions of Chapter V of the SEBI (ICDR) Regulations and applicable provisions of the Companies Act, 2013. The said proposal has been considered and approved by the Board in their meeting held on Saturday, 14th September 2024.

The approval of the members of the Company is accordingly being sought by way of a ‘Special Resolution’ under Section 42 and 62(1)(c) of the Companies Act, 2013, read with the rules made thereunder, and Regulation 160 of the SEBI (ICDR) Regulations, 2018.

The details of the issue and other particulars as required in terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Regulation 163 of the SEBI (ICDR) Regulations are set forth below:

I. Objects of the Preferential Issue

The Company intends to utilize the proceeds raised through the issue (“Issue Proceeds”) towards the following objects:

1. Investment in Joint Venture Company namely Ester Loop Infinite Technologies Private Limited, in the form of equity and/or unsecured loan.

2. General Corporate Purpose.
(Hereinafter collectively referred to as “Objects”

Utilization of Proceeds

As the funds to be received against warrant conversion will be in tranches and quantum of funds required on different dates may vary therefore, the Broad Range of intended use of the Issue Proceeds of the Issue is as under:

Sr. No.	Particulars	Total amount estimated to be utilized (Rs crore)	Tentative timelines for utilization of net proceeds from the date of receipt of funds
1	Investment in Joint Venture Company namely Ester Loop Infinite Technologies Private Limited, in the form of equity and/or unsecured loan	1,59,99,98,791.31	By March 31, 2027*
2	General Corporate Purpose	14,99,99,886.69	By March 31, 2027*
Total		1,74,99,98,678.00	

(*) considering 100% conversion of Warrants into Equity Shares within the stipulated time

Notes:

- All decimals have been rounded off to two decimal points.
- In terms of NSE Notice No. NSE/CML/2022/56 and BSE Notice No. 20221213-47, dated 13th December 2022, the amount specified for the above-mentioned object of issue size may deviate +/- 10% depending upon future circumstances.

Schedule of Implementation and Deployment of Funds

Since present preferential issue is for Fully Convertible Warrants, the issue proceeds shall be received by the Company in 18 months period from the date of allotment of warrants in terms of Chapter V of the SEBI (ICDR) Regulation, and as estimated by our management, the entire proceeds received from the issue would be utilized for the all the above-mentioned objects, in phases, as per the company’s business requirements and availability of issue proceeds, latest by 31st March 2027.

Interim use of Proceeds

Our Company, in accordance with the policies formulated in accordance with the applicable laws and guidelines and description as given in this Notice, will have flexibility to deploy the Issue Proceeds. Pending utilization of the Issues Proceeds for the purposes described above, our Company intends to inter alia, invest the Issue Proceeds in money market instruments including mutual funds, deposits in scheduled commercial banks, securities issued by Government of India, or any other investments as permitted under applicable laws.

II. Monitoring of Utilization of Funds

Given that the issue size exceeds Rs. 100 Crore (Rupees One Hundred Crore Only), in terms of Regulation 162A of the SEBI (ICDR) Regulations, the Company shall appoint a SEBI registered credit rating agency as

the monitoring agency to monitor the use of the proceeds of the Preferential Issue (“**Monitoring Agency**”).

III. Particulars of the offer including the maximum number of specified securities to be issued and date of passing of Board Resolution:

The Board of Directors of the Company at their meeting held on Saturday, 14th September, 2024, had, subject to approval of the Members of the Company (“**Members**”) and such other approvals as may be required, approved the issue of up to **1,10,75,941** (One Crore Ten Lakh Seventy Five Thousand Nine Hundred and Forty One) Fully Convertible Warrants, each carrying a right exercisable by the warrant holder to subscribe to equivalent number of Equity shares of the face value of Rs. 5/- each, to the person belonging to the “Promoter & Promoter Group” and “Non-Promoter” category, at an issue price of Rs. 158/- each, determined in terms of Chapter V of SEBI (ICDR) Regulations.

In respect of the Warrants proposed to be allotted, an amount equivalent to 25% of the Warrant Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of Equity Shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Equity Share(s).

IV. The intent of the promoters, directors, key management personnel, or senior management of the issuer to subscribe to the offer.

Except as following, none of promoters, directors, key managerial personnel, or senior management of the issuer intent to subscribe to the offer or separately in furtherance of the objects specified herein above:

Sr. No.	Name	Category	Designation	Type of Security	Number of Warrants (Up to)
1.	Mr. Arvind Singhania	Promoter	Managing Director	Warrants	37,97,468
2.	MOVI Limited	Promoter & Promoter Group	-	Warrants	25,31,645

V. The Shareholding Pattern of the issuer before and after the preferential issue.

The shareholding pattern of the Company before and after the proposed preferential issue to ‘Promoter & Promoter Group’ & ‘Non-Promoter’ is likely to be as follows:

Category	Pre-Issue Shareholding Structure		Warrants to be allotted	Post issue Shareholding (Presuming full conversion of Warrants)	
	No. of Shares	% age*		No. of Shares	% age**
(A) Promoter Shareholding					
(1) Indian					
(a) Individuals & HUF	29,35,351	3.12	37,97,468	67,32,819	6.41

(b) Bodies Corporate	31,32,705	3.33	0	31,32,705	2.98
Sub Total (A)(1)	60,68,056	6.46	37,97,468	98,65,524	9.39
(2) Foreign Promoters					
Bodies Corporate	5,26,15,012	56.00	25,31,645	5,51,46,657	52.46
Sub Total (A)(2)	5,26,15,012	56.00	25,31,645	5,51,46,657	52.46
Total Promoter shareholding A=A1 +A2	5,86,83,068	62.46	63,29,113	6,50,12,181	61.85
(B) Public Shareholding					
B1) Institutional Investors					
Indian	4,15,456	0.44	0	4,15,456	0.40
Foreign	1,56,784	0.17	0	1,56,784	0.15
B2) Central Govt./Stat Govt./POI	0	0.00	0	0	0.00
B3) Non-Institutional Investors					
Individuals	1,97,53,867	21.03	9,49,365	2,07,91,112	19.78
Body Corporate	1,25,71,399	13.38	0	1,25,71,399	11.96
Others (Including NRI)	23,73,435	2.53	37,97,463	61,70,898	5.87
Total Public Shareholding B=B1+B2+B3	3,52,70,941	37.54	47,46,828	4,01,05,649	38.15
C) Non-Promoter - Non-Public	0	0.00	0	0	0.00
Grand Total (A+B+C)	9,39,54,009	100.00	1,10,75,941	10,51,17,830	100.00

(*) These percentages have been calculated on the basis of pre preferential paid-up equity share capital of Rs. 46,97,70,045/- consisting of 9,39,54,009 Equity Shares of face value of Rs. 5/- each.

(**) These percentages have been calculated on the basis of post-preferential share capital of the Company on a fully diluted basis i.e. Rs. 52,55,89,150/- consisting of 10,51,17,830 Equity Shares of face value of Rs. 5/- each which includes 87,880 Equity Shares allotted pursuant to the exercise of Options vested under the Ester Industries Limited Employees Stock Option Plan – 2021 on 14th September 2024.

Notes:

1. The pre-issue shareholding pattern is as on the latest BENPOS date i.e. Friday, 13th September 2024.
2. Post -shareholding structure may change depending upon any other corporate action in between.

VI. Proposed time limit within which the allotment shall be completed:

As required under the SEBI (ICDR) Regulations, preferential allotment of the said Warrants shall be completed within a period of 15 (fifteen) days from the date of passing of special resolution at Item

No. 3. Provided that where the allotment is pending on account of receipt of any approval or permission from any regulatory authority, if applicable, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions. Further, the Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the shareholders of the Company, allot the corresponding number of Equity Shares in dematerialized form.

VII. Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

Not Applicable, since the Company has not made preferential issue of any Security during the year.

VIII. The identity of the natural persons who are the ultimate beneficial owners of the securities proposed to be allotted and/or who ultimately control the proposed allottee(s):

Identity of the ultimate beneficial owners of the securities proposed to be allotted:

Sr. No.	Name of the Proposed Allottees	Category	Name of Ultimate Beneficial Owners
1.	Mr. Arvind Singhanian	Promoter	Not Applicable as allottee is a Natural Person.
2.	MOVI Limited	Promoter & Promoter Group	Mr. Jai Vardhan Singhanian
3.	K&K Ventures through its partners viz. Mr. Kavish Vaibhav Shah and Mr. Krishang Vaibhav Shah	Non-Promoter	Mr. Kavish Vaibhav Shah Mr. Krishang Vaibhav Shah
4.	Mr. Malay Ashokbhai Shah	Non-Promoter	Not Applicable as allottee is a Natural Person.
5.	Master Reeyan Rohan Shah through his Legal Guardian Mr. Rohan Shah	Non-Promoter	Not Applicable as allottee is a Natural Person
6.	Mr. Raj Vardhan Kejriwal	Non-Promoter	Not Applicable as allottee is a Natural Person.
7.	Riti Foundation (Trust)	Non-Promoter	Mr. Rajiv Kumar Gupta Mrs. Sunita Gupta Mr. Atul Jain Mr. Rajesh Kumar Mr. Rohan Kumar Gupta Mr. Puesh Kumar Gupta Ms. Riti Gupta
8.	RR Foundation (Trust)	Non-Promoter	Mr. Rohan Kumar Gupta Mr. Atul Jain Mr. Rajesh Kumar Mr. Puesh Kumar Gupta
9.	S.R. Foundation (Trust)	Non-Promoter	Mr. Rajiv Kumar Gupta Mrs. Sunita Gupta Mr. Atul Jain Mr. Rajesh Kumar Mr. Rohan Kumar Gupta

			Mr. Anshu Dewan Mr. Puesh Kumar Gupta
10.	Suruchi Foundation (Trust)	Non-Promoter	Mr. Rajiv Kumar Gupta Mrs. Sunita Gupta Mr. Atul Jain Mr. Rajesh Kumar Mr. Rohan Kumar Gupta Mr. Puesh Kumar Gupta Mrs. Suruchi Saraf
11.	Swati Foundation (Trust)	Non-Promoter	Mr. Rajiv Kumar Gupta Mrs. Sunita Gupta Mr. Atul Jain Mr. Rajesh Kumar Mr. Rohan Kumar Gupta Mr. Puesh Kumar Gupta Mrs. Swati Saraf

IX. The percentage of post preferential issue capital that may be held by the allottee(s) pursuant to the preferential issue.

S. No.	Name of Allottee	Pre-Issue Shareholding Structure		Warrants to be allotted	Post issue Shareholding (Presuming full conversion of Warrants)	
		No. of Shares	% age*		No. of Shares	% age**
1.	Mr. Arvind Singhania	26,32,285	2.80	37,97,468	64,29,753	6.12
2.	MOVI Limited	32,97,000	3.51	25,31,645	58,28,645	5.54
3.	K&K Ventures through its partners viz. Mr. Kavish Vaibhav Shah and Mr. Krishang Vaibhav Shah	0	0.00	15,82,278	15,82,278	1.51
4.	Mr. Malay Ashokbhai Shah	0	0.00	1,58,227	1,58,227	0.15
5.	Master Reeyan Rohan Shah through his Legal Guardian Mr. Rohan Shah	0	0.00	1,58,227	1,58,227	0.15
6.	Mr. Raj Vardhan Kejriwal	0	0.00	6,32,911	6,32,911	0.60
7.	Riti Foundation (Trust)	0	0.00	4,43,037	4,43,037	0.42
8.	RR Foundation (Trust)	0	0.00	4,43,037	4,43,037	0.42
9.	S.R. Foundation (Trust)	0	0.00	4,43,037	4,43,037	0.42
10.	Suruchi Foundation (Trust)	0	0.00	4,43,037	4,43,037	0.42
11.	Swati Foundation (Trust)	0	0.00	4,43,037	4,43,037	0.42

(*) These percentages have been calculated on the basis of pre preferential paid-up equity share capital of Rs. 46,97,70,045/- consisting of 9,39,54,009 Equity Shares of face value of Rs. 5/- each.

(**) These percentages have been calculated on the basis of post-preferential share capital of the Company on a fully diluted basis i.e. Rs. 52,55,89,150/- consisting of 10,51,17,830 Equity Shares of face value of Rs. 5/- each which includes 87,880 Equity Shares allotted pursuant to the exercise of Options vested under the Ester Industries Limited Employees Stock Option Plan – 2021 on 14th September 2024.

Notes:

1. The pre-issue shareholding pattern is as on the latest BENPOS date i.e. Friday, 13th September 2024.
2. Post -shareholding structure may change depending upon any other corporate action in between.

X. Consequential changes in the Voting Rights, change in control, and change in the Management, if any, in the issuer consequent to the preferential issue:

As a result of the proposed preferential issue of Warrants and further their conversion into Equity Shares, there will be no change in the control or management of the Company. However, voting rights will change in tandem with the shareholding pattern.

XI. Lock-in Period:

- (a) Warrants being allotted to the Proposed Allottee(s) and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock-in for such period as may be prescribed under Chapter V of the SEBI (ICDR) Regulations.
- (b) The entire pre-preferential allotment shareholding, if any, of the Proposed Allottees, shall be locked-in as per Chapter V of the SEBI (ICDR) Regulations.

XII. Issue price and Relevant Date:

In terms of Regulation 161 of SEBI (ICDR) Regulations, the Relevant Date for determining the floor price for the Preferential Allotment of the Warrants has been reckoned as **Monday, 16th September 2024** being the date 30 days prior to the last date of e-voting i.e. Wednesday, 16th October 2024.

The Equity shares of the Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") and as per the provisions of Regulation 164(5) of Chapter V of the SEBI (ICDR) Regulations, 2018, trading information of NSE has been considered for pricing as its the Stock Exchange which has higher trading volumes during 90 Trading Days prior to the Relevant Date ('the Stock Exchange'). The shares of the Company are frequently traded within the meaning of explanation provided in Regulation 164(5) of Chapter V of the SEBI (ICDR) Regulations, 2018.

Further, since the proposed allotment to the allottees collectively would be more than 5% of the post issue fully diluted share capital, thus, in compliance with Regulation 166A of the SEBI (ICDR) Regulations, the **minimum price** per Equity Share was considered higher of the price determined through following methods:

- i. In terms of the provisions of Regulation 164 of the SEBI (ICDR) Regulations, the minimum issue price at which the Equity Shares may be issued computed to **Rs. 157.75/- (Rupees One Hundred Fifty-Seven and Seventy-Five Paise Only)** each, being higher of following:
 - a) Rs. **140.15/-** each- being the Average of 90 Trading days volume weighted average price of the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date; or
 - b) Rs. **157.75/-** each- being the Average of 10 Trading days volume weighted average price of

the equity shares of the Company quoted on the Stock Exchange preceding the Relevant Date.

- ii. In terms of the provisions of Regulation 166A of the SEBI (ICDR) Regulations, the price has been determined to be **Rs. 152.11/- per warrant**, by the Valuation Report issued by the Independent Registered Valuer through the Valuation Report, issued by M/s. Corporate Professionals Valuation Services Private Limited, (Registration No.: IBBI/RV-E/02/2019/106). The said report is available on the website of the Company at www.esterindustries.com.
- iii. Price as determined in accordance with the methodology prescribed in the Articles of Association of the Company – *Not Applicable as the Articles of Association of the Company are silent on the determination of a floor price/ minimum price of the shares issued on preferential basis.*

Accordingly, the minimum issue price of Warrants on Preferential basis shall be at a price of Rs. **157.75/-** (Rupees **One Hundred Fifty-Seven and Seventy-Five Paisa** Only) each. However, the Preferential Issue Committee of the Board of Directors of the Company has decided on the issue of Warrants at an Issue Price of Rs. **158/-** (Rupees **One Hundred and Fifty-Eight** Only) each, which is higher than the above-mentioned prices.

XIII. Undertakings:

- None of the Company, its Directors or Promoters are categorized as willful defaulter(s) or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by Reserve Bank of India. Consequently, the undertaking required under Regulation 163(1)(i) is not applicable.
- None of its Directors or Promoters are fugitive economic offenders as defined under the SEBI (ICDR) Regulations.
- As the equity shares have been listed on a recognized Stock Exchange for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI (ICDR) Regulations governing re-computation of the price of shares shall not be applicable. Consequently, the undertaking required under Regulation 163(1)(g) and Regulation 163(1)(h) is not applicable.
- None of the proposed allottees have sold or transferred any Equity Shares during the 90 trading days preceding the relevant date.

XIV. Disclosures specified in Schedule VI of ICDR Regulations, if the issuer or any of its promoters or directors is a willful defaulter or fraudulent borrower:

Not Applicable, since none of the Directors or Promoters are categorized as willful defaulter(s) or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by Reserve Bank of India.

xv. The current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter:

S. No.	Name of Allottees	Current Status	Post Status
1.	Mr. Arvind Singhania	Promoter	Promoter
2.	MOVI Limited	Promoter & Promoter Group	Promoter & Promoter Group
3.	K&K Ventures through its partners viz. Mr. Kavish Vaibhav Shah and Mr. Krishang Vaibhav Shah	Non-Promoter	Non-Promoter
4.	Mr. Malay Ashokbhai Shah	Non-Promoter	Non-Promoter
5.	Master Reeyan Rohan Shah through his guardian through his Legal Guardian Mr. Rohan Shah	Non-Promoter	Non-Promoter
6.	Mr. Raj Vardhan Kejriwal	Non-Promoter	Non-Promoter
7.	Riti Foundation (Trust)	Non-Promoter	Non-Promoter
8.	RR Foundation (Trust)	Non-Promoter	Non-Promoter
9.	S.R. Foundation (Trust)	Non-Promoter	Non-Promoter
10.	Suruchi Foundation (Trust)	Non-Promoter	Non-Promoter
11.	Swati Foundation (Trust)	Non-Promoter	Non-Promoter

xvi. Practicing Company Secretary's Certificate:

The certificate from M/s. RSH & Associates, COP No. 10753, Practicing Company Secretaries, certifying that the preferential issue of Warrants is being made in accordance with requirements of Chapter V of SEBI (ICDR) Regulations has been obtained considering the said preferential issue. The copy of said certificate shall be available for inspection by the members and the same may be accessed on the Company's website viz; www.esterindustries.com.

xvii. Details of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution:

Except as given below, no Director, key managerial personnel or their relatives, in any way are concerned or interested, financially or otherwise, in the resolutions set out at item no. 3 of this Notice:

Sr. No.	Name	Relation with the proposed Allottee	Category	Designation	Type of Security	Number of Security
1.	Mrs. Uma Devi Singhania	Mother of Mr. Arvind Singhania	Promoter Group	Shareholder	Equity	175
2.	Mrs. Archana Singhania	Spouse of Mr. Arvind Singhania	Promoter Group	Non-Executive Director	NIL	NIL
3.	Mr. Ayush Vardhan	Son of Mr. Arvind Singhania	Promoter Group	Whole Time Director &	Equity	1,78,033

	Singhania			Shareholder		
4.	Mr. Jai Vardhan Singhania	Son of Mr. Arvind Singhania	Promoter Group	Shareholder	Equity	1,24,858

The Board of Directors recommends the resolution as set out at Item No. 3 of this notice for the issue of Warrants on a preferential basis, to the proposed allottees by way of **Special Resolution**.

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

**Place: Gurugram
Date: 14th September 2024**

**Sd/-
Poornima Gupta
Company Secretary & Compliance Officer
ACS: 49876**