

**May 18, 2022**

To,

**Bombay Stock Exchange Ltd.,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001**The National Stock Exchange of India Ltd.**  
Exchange Plaza,  
Bandra - Kurla Complex,  
Mumbai 400 051**Company Code No. 531120****Company Code: PATELENG/EQ****Subject: Notice of Postal Ballot & Remote E-voting**

Dear Sir,

In compliance with Regulation 30 and other applicable provisions of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015, please find enclosed herewith a copy of the Postal Ballot Notice dated May 13, 2022, seeking approval of the Members of the Company in respect of the following resolutions for your information and records.

<b>Item no.</b>	<b>Special Business (es)</b>	<b>Resolution Type</b>
1	Appointment of Ms. Sunanda Rajendran (DIN: 00381885) as an Independent Director.	Special Resolution
2	Issue of Equity Shares to Patel Engineering Employees Welfare Trust.	Special Resolution
3	Extending the benefits of Patel Engineering Employees' Stock Option Plan 2007 to the employees of the Subsidiaries and / or Associates.	Special Resolution
4	Scheme for provision of loan by the Company for purchase of its own shares by the Trust / Trustees for the benefit of Employees under Employees Stock Option Plan 2007.	Special Resolution
5	Extension of existing Patel Engineering Employees' Stock Option Plan 2007 and amendment to the said Plan.	Special Resolution

Pursuant to MCA General Circulars physical copy of the Postal Ballot Notice along with the Postal Ballot forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot.

This is to further inform you that pursuant to Section 110 of the Companies Act, 2013 ('the Act') read with rules framed thereunder and other applicable provisions of the Act, the Company has completed the electronic dispatch of the Postal Ballot Notice, along with the Explanatory statement under Section 102 of the Act, read with rules framed thereunder, on Wednesday, May 18, 2022 to all the Members whose names appear in the Register of Members/List of Beneficial Owners, as on Friday, May 13, 2022 i.e. Cut-off date for the said purpose.

**REGD. OFFICE:**

Patel Estate Road, Jogeshwari (W), Mumbai – 400 102. India  
Phone +91 22 26767500, 26782916 Fax +91 22 26782455, 26781505  
Email [headoffice@pateleng.com](mailto:headoffice@pateleng.com) Website [www.pateleng.com](http://www.pateleng.com)

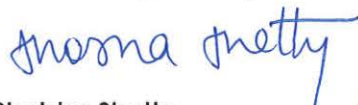


The Company has engaged the service of NSDL for purpose of providing Remote E-Voting facility to all its Members. The Remote E-Voting commences from Saturday, May 21, 2022 (9.00 am) and shall end on Sunday, June 19, 2022 (5.00 p.m).

The Results of the Postal Ballot will be declared on or before 5.00 p.m. (IST) on Tuesday, June 21, 2022 and also be displayed on the Company's website [www.pateleng.com](http://www.pateleng.com) and on the website of National Securities Depository Limited ("NSDL") [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The results will be intimate to the Stock Exchanges where the Company's shares are listed.

Thanking you,  
Yours faithfully,

For **Patel Engineering Ltd**



**Shobha Shetty**  
**Company Secretary**  
Membership no. F10047  
Encl: a/a



**REGD. OFFICE:**

Patel Estate Road, Jogeshwari (W), Mumbai – 400 102. India  
Phone +91 22 26767500, 26782916 Fax +91 22 26782455, 26781505  
Email [headoffice@pateleng.com](mailto:headoffice@pateleng.com) Website [www.pateleng.com](http://www.pateleng.com)



## PATEL ENGINEERING LTD.

CIN:L99999MH1949PLC007039

Regd. office: Patel Estate Road, Jogeshwari (West), Mumbai - 400 102  
Tel No: +91(22) 26767500 Fax: +91(22) 26782455, Website: www.pateleng.com

### POSTAL BALLOT NOTICE

*(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)*

**Dear Member(s),**

**NOTICE** is hereby given, pursuant to the provisions of Section 110 and Section 108 of the Companies Act, 2013 ("Act") including any statutory modification(s) or re-enactment(s) thereof for the time being in force and other applicable provisions, if any, of the Act and Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended from time to time, read with the General Circular Nos.14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021 and 3/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Secretarial Standards on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India, as amended and pursuant to other applicable laws and regulations, resolutions as set out in this Postal Ballot Notice is proposed to be passed as Special Resolutions by Members of Patel Engineering Limited ("the Company") by means of Postal Ballot through voting by electronic means only ("remote e-voting"). Members are requested to read the instructions in the Notes under the section "Voting through Electronic Means". The communication of assent or dissent of the Members would take place only through the remote e-voting system.

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories as on Friday, May 13, 2022. If Member's e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice, login ID and password for remote e-voting.

An explanatory statement pursuant to Sections 102, and other applicable provisions of the Act, pertaining to the resolutions setting out the material facts and reasons thereof, is appended to this Postal Ballot Notice. Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company at its meeting held on May 13, 2022, has appointed Mr. Makarand M. Joshi failing him Ms. Kumudini Bhalerao, Partners of M/s. Makarand M. Joshi & Co, Practicing Company Secretaries, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

The remote e-voting period commences at 9.00 a.m. (IST) on Saturday, May 21, 2022 and will end at 5.00 p.m. (IST) on Sunday, June 19, 2022, thereafter the remote e-voting will be blocked and voting shall not be allowed beyond the said time. The Scrutinizer will submit the report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The Results of the Postal Ballot will be announced on or before 5.00 p.m. (IST) on Tuesday, June 21, 2022.

The declared Results along with the Scrutinizer's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website <https://www.pateleng.com> and on the website of National Securities Depository Limited ("NSDL") [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

#### **1. Appointment of Ms. Sunanda Rajendran (DIN: 00381885) as an Independent Director.**

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

**"Resolved that** in accordance with the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions if any of the Companies Act, 2013 ("the Act") and Rules made thereunder and Regulation 16(1)(b), Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Sunanda Rajendran (DIN: 00381885), who was appointed as an Additional Director of the Company with effect from March 24, 2022, pursuant to Section 161 of the Act and who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations, and in respect of whom the Company has received notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a term of one year with effect from March 24, 2022 to March 23, 2023."

## 2. Issue of Equity Shares to Patel Engineering Employees Welfare Trust.

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

**“Resolved that** subject to the provisions of the Section 62(1)(b) and other applicable provisions if any, of the Companies Act, 2013 (including rules thereunder) and Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”) and other applicable laws (if any), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and all other applicable laws and subject to such other approvals, permissions and sanctions as may be necessary and subject to such other approvals, permissions and sanctions as may be imposed or prescribed while granting such approvals, permissions and sanctions, the approval of Members of the Company be and is hereby accorded to the Board of Directors of the Company to issue and allot **2,39,61,525** (Two crores thirty nine lakhs sixty one thousand five hundred and twenty five) **equity shares** of Re. 1 each, constituting 5% (five percent) of the paid-up equity share capital of the Company as on March 31, 2022 to **‘Patel Engineering Employees Welfare Trust’** (“Trust”) for cash at par, enabling/authorising 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 constituted to exercise its power including powers, conferred by this resolution), to create, grant and issue from time to time, in one or more tranches 2,39,61,525 employee stock options (in addition to the existing options available in the ESOP Plan 2007) to or for the benefits of the employees of the Company on such terms and conditions as the Board /Committee may decide in accordance with existing “Patel Engineering Employees' Stock Option Plan 2007” (“the ESOP Plan 2007/the Plan”) read with the provisions of the SEBI SBEB Regulations.

**Resolved further that** the equity shares allotted by the Company to the Trust in the manner aforesaid shall rank pari passu in all respect with the existing equity shares of the Company including entitlement of dividend.

**Resolved further that** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint Merchant Banker(s) and such other appropriate agencies, if required, being incidental to the effective implementation and administration of Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

**Resolved further that** subject to the extent allowed under the applicable laws, the Board be and is hereby authorized to delegate such powers to the Nomination and Remuneration Committee or any other Committee of the Board with a power to further delegate to any executives / officers of the Company or of the Trust or to the trustees thereof, to do required acts, deeds, matters and things as also to execute such documents, writings, etc. as may be deemed necessary in connection with implementation/ administration of the Plan.”

## 3. Extending the benefits of Patel Engineering Employees’ Stock Option Plan 2007 to the employees of the Subsidiaries and / or Associates.

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

**“Resolved that** subject to the provisions of the Section 62(1)(b) and other applicable provisions if any, of the Companies Act, 2013 (including rules thereunder) read with Regulation 6(3)(c) of the Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”) and other applicable laws (if any), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and all other applicable laws and subject to such other approvals, permissions and sanctions as may be necessary and subject to such other approvals, permissions and sanctions as may be imposed or prescribed while granting such approvals, permissions and sanctions, consent of the members of the Company be and is hereby accorded authorising 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 constituted to exercise its powers, including the powers, conferred by this resolution) to offer, grant and issue employee stock options (“Options”) under the “Patel Engineering Employees' Stock Option Plan 2007” (“the ESOP Plan 2007/ the Plan”) for the benefit of the employees of subsidiary and associates company(ies) of the Company, as may be decided under the Plan, exercisable into corresponding number of equity shares of face value of Re. 1/- (Rupee One only) each fully paid-up, where one employee stock option would convert/issue in to one equity share upon exercise and be transferred to the option grantee by the Patel Engineering Employees Welfare Trust (“Trust”) of the Company, on such terms and in such manner as the Board/ Committee may decide in accordance with the provisions of the Plan read with the provisions of the SEBI SBEB Regulations and other applicable laws.

**Resolved further that** the Board and any Committee thereof be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company respectively and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc. with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and/ or regulatory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

**4. Scheme for provision of loan by the Company for purchase of its own shares by the Trust / Trustees for the benefit of Employees under Patel Engineering Employees' Stock Option Plan 2007.**

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

“**Resolved that** pursuant to the provisions of Section 67(3)(b) and all other applicable provisions, if any, of the Companies Act, 2013, read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”) as amended from time to time, the 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, the 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 expression shall also include Nomination and Remuneration Committee) to approve the scheme for provision of money, by way of grant of loan or provision of guarantee or security in connection with loan to be granted, in one or more tranches, to ‘Patel Engineering Employees Welfare Trust’ (hereinafter referred to as “Trust”) set up by the Company, in one or more tranches, for the purpose of subscription and /or purchase of equity shares of the Company by the Trust/Trustees, in one or more tranches, for the benefit or welfare of employees under Patel Engineering Employees' Stock Option Plan 2007 (hereinafter referred to as the “Plan”), or for any other purpose(s) as permitted under and in due compliance of the Companies Act, 2013 and SEBI SBEB Regulations and all other applicable laws and regulations.

**Resolved further that** the Board be and is hereby authorised to grant an interest free unsecured loan, provide guarantee or security in connection with a loan or any other financial assistance to the “Patel Engineering Employees Welfare Trust” from time to time, in one or more tranches, for acquisition of such number of equity shares of the Company for the implementation and administration of the Patel Engineering Employees' Stock Option Plan 2007 (“ESOP 2007”/ “Plan”), value of which shall not exceed the statutory ceiling of 5% (five percent) of the paid-up capital and free reserves of the Company as on March 31, 2022, repayable to and recoverable by the Company from time to time during the term of the Plan, as per loan scheme and subject to receipt of the exercise price from the employees by the Trust on exercise of employee stock options under the said Plan, in accordance with the terms and conditions agreed upon and as prescribed under the laws, rules, regulations applicable to the Company.

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

**Resolved further that** for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage.”

**5. Extension of Patel Engineering Employees' Stock Option Plan 2007 and amendment to the said Plan.**

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

“**Resolved that** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Companies (Share Capital and Debenture) Rules, 2014 read with Regulation 7(4) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the 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, the consent of the members be and is hereby accorded to extend/renew the existing ‘Patel Engineering Employee' Stock Option Plan’ (“Plan”) dated October 1, 2007, for a further period of 15 (fifteen) years effective from October 1, 2022 and for identification purpose rename the existing “Patel Engineering Employees' Stock Option Plan” to “Patel Engineering Employees' Stock Option Plan 2007”.

**Resolved further that**, approval of the members of the Company be and is hereby accorded for amendment to the “Patel Engineering Employees' Stock Option Plan 2007” in the following manner:

- i) Article no. 1 of “Patel Engineering Employees' Stock Option Plan” be substituted by the following :  
‘This Plan may be called the PATEL ENGINEERING EMPLOYEES’ STOCK OPTION PLAN 2007 (“ESOP Plan 2007”)’
- ii) Article no. 6.2 of “Patel Engineering Employees' Stock Option Plan 2007” be and is hereby substituted in the following manner:  
‘The said Plan has been extended/ renewed for a further period of 15 (Fifteen) years i.e. upto September 30, 2037 and thereafter no Grants shall be made under the Plan.’
- iii) Article no. 9.2 of “Patel Engineering Employees' Stock Option Plan 2007” be substituted by the following:  
‘The aggregate number of Options / Underlying shares that may be granted from time to time under the Plan shall not exceed 3,76,83,165 (Three crore seventy six lakhs eighty three thousand one hundred sixty five only). Further grants to an Employee shall not be less than 100 (hundred) Options / Underlying shares and to employees in aggregate shall not exceed 1% of Total Issue Capital of the Company.’
- iv) Article no. 9.8 of “Patel Engineering Employees' Stock Option Plan 2007” be substituted by the following:  
‘Each Option entitles the Employee to acquire 1 Share at a price of Re. 1/- (Rupee one) each per share or such number of Resultant Shares at such price/s as maybe determined by the Nomination and Remuneration Committee in the event of 'Change in Capital Structure' or 'Corporate Action'.

**Resolved further that** any Director or the Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid resolutions and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

**For and on behalf of the Board of Directors**

**Shobha Shetty**  
Company Secretary  
Membership No. F10047

May 13, 2022

**Registered Office**  
Patel Estate Road,  
Jogeshwari (West),  
Mumbai-400102.

## NOTES:

1. The Explanatory Statement pursuant to Sections 102 of the Companies Act, 2013 ("the Act") setting out all material facts concerning the Resolutions in the accompanying Notice is annexed hereto.
2. In compliance with Sections 110 and 108 of the Act and Rules made thereunder, the Company has provided the facility to the members to exercise their votes electronically through remote e-voting facility provided by NSDL. The instructions for electronic voting are annexed to this Postal Ballot Notice.
3. Voting rights of the members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on Friday, May 13 2022 ("Cut-off date"). Only those members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting.
4. The remote e-voting period commences at 9:00 A.M. (IST) on Saturday, May 21, 2022 and will end at 5:00 P.M. (IST) on Sunday, June 19, 2022, thereafter remote e-voting module will be blocked and voting shall not be allowed beyond said time. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date, i.e. May 13, 2022, may cast their vote electronically. Once a member casts the vote on the Resolution, he or she will not be allowed to change it subsequently.
5. In conformity with the applicable regulatory requirements, the Postal Ballot Notice is being sent only through electronic mode to those members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories, on May 13, 2022, and who have registered their e-mail addresses with the Company or with the Depository Participant.
6. Members who have not registered their email address with the Company or Depository Participant may complete the email registration process as under:
  - a. 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), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investors@pateleng.com](mailto:investors@pateleng.com)
  - b. Members holding shares in demat form can update their email address with their Depository Participant.
7. Members may note that this Postal Ballot Notice will also be available on the Company's website at [www.pateleng.com](http://www.pateleng.com), websites of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL, [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. All documents referred to in this Postal Ballot Notice and the Explanatory Statement would be available for inspection through electronic mode upto closure of e-voting on June 19, 2022 on request being sent to email id: [investors@pateleng.com](mailto:investors@pateleng.com) mentioning their name, Folio no. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.
9. Mr. Makarand M. Joshi failing him Ms. Kumudini Bhalariao, Partners of M/s. Makarand M. Joshi & Co, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and casting vote through the remote e-voting module in a fair and transparent manner.
10. The Scrutinizer shall, after the conclusion of voting through remote e-voting unblock the votes cast through remote e-voting and make a scrutinizer's report of the total votes cast in favour and against, if any, and submit his/her report to the Chairman of the Company or any person authorised by him, on or before 5.00 p.m. (IST) on Tuesday, June 21, 2022. The declared Results along with the Scrutinizer's Report will be submitted to the BSE Limited & National Stock Exchange of India Limited, available on the Company's website at [www.pateleng.com](http://www.pateleng.com), National Securities Depository Limited ('NSDL'), engaged by the Company for facilitating e-voting, will also display the Results on its website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. Resolution passed by the members through Postal Ballot are deemed to have been passed as if the same were passed at a general meeting of the members convened in that regard on the last date specified for remote e-voting i.e. Sunday, June 19, 2022.
12. **Important note for shareholders:** In case you hold shares in physical form, SEBI, vide its Circulars, has mandated furnishing of PAN, KYC details (i.e., postal address with PIN code, email address, mobile number, bank account details, etc.) and nomination details by holders of securities. In case any of the aforesaid documents/ details are not available by 1st April, 2023 in the record of the Company/ Registrar Transfer Agent (RTA), our RTA will be constrained to freeze your folio(s) impending submission. We therefore request you to take timely action to avoid inconvenience in future. In case you hold shares in demat form, keep your bank details, email address, postal address and contact number updated in your Account with Depository Participant.

## Voting through Electronic Means:

I. The details of the process and manner for remote e-voting are explained herein below:

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





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

Step 1 is given below:

#### 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 Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat account(s) in order to access e-Voting facility.

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

Type of Members	Login Method
Individual Members holding securities in Demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> 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 <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.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.nSDL.com/">https://www.evoting.nSDL.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 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 <b>e-Voting service provider i.e. 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>



Type of Members	Login Method
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Members (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 or joining virtual meeting & voting during the meeting.

**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 Members 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.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members 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 022- 23058738 or 022-23058542-43

**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?**

- 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.
- 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, 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 101456 then user ID is 101456001***

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.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - 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.
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/Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to upload their Board Resolution / Power of Attorney / Authority Letter by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab on this screen or send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc. with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [scrutinisers@mmjc.in](mailto:scrutinisers@mmjc.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
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 <https://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 <https://www.evoting.nsdl.com>. For any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, e-mail: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), toll free no: 1800 1020 990/1800 224 430.

## **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

### **Item No. 1**

Based on the recommendation of the Nomination and Remuneration Committee (“NRC”), the Board of Directors appointed Ms. Sunanda Rajendran (DIN: 00381885), as an Additional Director (Independent Director) of the Company in terms of the provisions of Section 161 of Companies Act, 2013 (the Act) and the Articles of Association of the Company with effect from March 24, 2022 subject to the approval of Members by way of a Special Resolution.

Pursuant to amendment (effective from January 1, 2022) to Regulation 17(1C) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Ms. Sunanda Rajendran shall hold office upto the date of next Annual General Meeting or for a period of three months from the date of appointment, whichever is earlier. Ms. Sunanda Rajendran is eligible to be appointed as an Independent Director. The Company has also received a declaration of Independence from her.

In the opinion of Board of Directors, Ms. Sunanda Rajendran fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for her appointment as an Independent Director of the Company.

Ms. Sunanda Rajendran, aged 60 years holds a Master’s degree in Commerce, Diploma EXIM/ IMP Diploma in International Arbitration, Diploma in Business Management and Secretarial Practice.

Ms. Sunanda Rajendran has over 37 years of practical work experience with the prestigious Indo Arab Chamber of Commerce and Industry to promote India’s International Trade with 24 Arab countries and 35 years of experience with Indo African Chamber Commerce & Industry to establish and promote bilateral trade between India and 55 African countries. During her career, she has led a number of innovative and impactful initiatives across 24 Arab and 53 African countries with the Foreign Trade Promotion Division team. She is the proprietor of Shruthi Enterprises which provides services for Export / Import, documentation and attestation and legalization services to the business community of India.

Further, Ms. Sunanda Rajendran hold Directorships of the understated Companies:

- Eram Magnaflux Systems Private Limited
- Eram Hitech Engineering India Private Limited
- Indo-Arab Chamber of Commerce and Industries
- Indo African Chamber of Commerce and Industry

Ms. Sunanda Rajendran does not hold any Membership / Chairmanship of Committees of other Boards.

Further, Ms. Sunanda Rajendran has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent Director of the Company. Ms. Sunanda Rajendran has also confirmed that she is not debarred from holding the office of a Director by virtue of any Order passed by SEBI or any such authority. Ms. Sunanda Rajendran is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Ms. Sunanda Rajendran has confirmed that she is in compliance with Rules 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Ms. Sunanda Rajendran is a person of integrity and fulfils the conditions specified under the Act read with Rules thereunder and the Listing Regulations for her appointment as an Independent Director of the Company and is independent of the Management. The terms and conditions of appointment of Ms. Sunanda Rajendran as an Independent, would be available for inspection to the members. The electronic copy of the draft letter for appointment of Ms. Sunanda Rajendran as an Independent Director setting out the terms and conditions will be available on the website of the Company at [www.pateleng.com](http://www.pateleng.com).

Ms. Sunanda Rajendran does not hold by herself or for any other person on a beneficial basis, any equity shares in the Company.

The Board of Directors considers that her association would be of immense benefit to the Company, recommends her appointment to the members for their approval by way of a Special Resolution as set out in item no.1 of the Postal Ballot Notice.

Except Ms. Sunanda Rajendran, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out in the Item no. 1 of the Postal Ballot Notice.

Ms. Sunanda Rajendran is not related to any Director or Key Managerial Personnel of the Company. As an Independent Director, Ms. Sunanda Rajendran will be entitled to remuneration by way of commission on net profits and sitting fees for attending meeting(s) of the Board of Directors or Committee(s) thereof or for any other purpose, whatsoever as may be decided by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

This Explanatory Statement together with the accompanying Postal Ballot Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) of ICSI.

## **Item No 2 & 3**

The Company had implemented “Patel Engineering Employees' Stock Option Plan” (“the ESOP Plan 2007/the Plan”) through Patel Engineering Employees Welfare Trust (“the Trust”) in the year 2007, with a view to attract and retain talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and create a sense of ownership among employees of the Company/its subsidiaries. The ESOP Plan 2007 was approved by the Members of the Company by way of a special resolution dated September 28, 2007. Subsequently, amendments/ modifications were carried vide Members’ resolutions dated July 31, 2009, August 20, 2010, March 09, 2018 and September 27, 2018 for the benefit of the Employees of the Company/its subsidiaries.

The Board of Directors of the Company at their meeting dated August 14, 2015 modified/adopted ESOP Plan 2007 to fall in line with the SEBI notification dated October 28, 2014 introducing SEBI (Share Based Employee Benefits) Regulation, 2014 to be complied by listed entities. Further, the Board of Directors vide resolution dated February 9, 2022 modified / amended the ESOP Plan 2007 to fall in line with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The ESOP Plan 2007 implemented through the Trust is valid for a period of 15 years from the effective date October 01, 2007. With a view to facilitate longer validity period of the ESOP Plan 2007 and offer an opportunity to eligible employees to exercise their grant, it is thought expedient to extend the term of the ESOP Plan of 2007 for another 15 years i.e. from October 1, 2022 to September 30, 2037 by way of an amendment more specifically stated in item no. 5 of the Postal Ballot Notice.

To commensurate with mobilisation of new Projects received by the Company and acceleration of existing Projects, the Company has increased its employee force by around 2100 in last one year, the Company intends to motivate its key work force for their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth. Under the said ESOP Plan 2007 implemented through the Trust, the Company proposes to allot further 2,39,61,525 Equity shares.

The Company therefore proposes to make a fresh issue of Shares referred above to the Trust. Pursuant to the Section 62(1)(b) of the Companies Act, 2013, read with Regulation 6 of the SEBI SBEB Regulations, the Company seeks Members approval as regards to fresh allotment of 2,39,61,525 Equity shares to Trust enabling the Trust to grant options under the ESOP Plan 2007 to the eligible employees of the Company as decided from time to time. Further, Regulation 6(3)(c) of SEBI SBEB Regulations, requires approval of Members by way of a separate resolution for grant of options to the employees of the subsidiary and/ or associate company(ies).

Accordingly, the Board of Directors of the Company at its meeting held on May 13, 2022 approved the said proposal subject to Members approval.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

Accordingly, your Directors recommend the passing of the Special Resolutions as specified in Item Number 2 and 3 of the Postal Ballot Notice.

## **Item No. 4 – Scheme for Provision of loan by the Company for purchase of its own shares by the Trust / Trustees for the benefit of Employees under Employees Stock Option Plan 2007**

Patel Engineering Employees' Stock Option Plan 2007 (“ESOP 2007”/ “Plan”) was implemented to attract and retain for long the talented and experienced employees working with the Company/its Subsidiaries. The Plan is implemented through Patel Engineering Employee Welfare Trust (“the Trust”). Further, under the said ESOP 2007, the Board proposed issuance of additional Equity shares to the Trust enabling the Trust to create, grant and issue from time to time, in one or more tranches employee stock options to or for the benefits of the employees of the Company. To subscribe to the said Equity shares of the Company as proposed in Resolution no. 2, money be provided to the Trust in the form of interest free loan.

The Trust may need funds, from time to time, for subscribing to the Company’s Equity Shares (the Shares) or for purchasing the Shares on the Stock Exchanges or any other permitted mode, for implementing the Plan. As per the provisions of Companies Act, 2013, any provision of loan by a Company to any person for purchase of or subscription for its own shares has to be in accordance with a scheme approved by the members by way of a special resolution.

### **The scheme for provision of loan broadly includes the following:**

1. The total amount of loan to be granted by the Company, from time to time, to the Trust and the amount of guarantee/ security to be provided by the Company in connection with a loan provided by another person to the Trust and outstanding at any point of time, shall be in accordance with the limit prescribed as per Companies Act, 2013 and SEBI SBEB Regulations and all other applicable laws and regulations.

2. The said amount of loan shall be utilize for subscribing to the Company's Equity Shares (the Shares) or for purchasing the Shares on the Stock Exchanges or any other permitted mode, for implementing the ESOP Plan 2007 in terms of the Companies Act, 2013 and SEBI SBEB Regulations and all other applicable laws and regulations.
3. The loan shall be interest free and unsecured loan.
4. The repayable/ recovery of the Loan by the Company during the term of the ESOP Plan 2007 shall be subject to receipt of the exercise price from the employees by the Trust on exercise of employee stock options under the said Plan.
5. Additionally, any dividend received on equity shares subscribed/purchased pursuant to ESOP Plan 2007 shall be used in such manner as the NRC Committee along with Administrator(s) of the Trust made deem fit including repayment of the Loan if any made by the Company to the Trust.

Accordingly, the Board of Directors at its meeting held on, May 13, 2022 has approved the proposal for sanction of an interest free loan and / or provision of a guarantee / security in connection with a loan to the Trust using which the equity shares may be acquired subject to a ceiling of 5% (five percent) of the paid up capital and free reserves of the Company as on March 31, 2022, as prescribed under Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 ("Companies Rules"). The employees besides their normal salary increments, will benefit through the shares which have been increasing its value in the market. The Company also benefits in facilitating an efficient cash flow management.

**Particulars of the Trust as required under Section 67(3)(b) of the Companies Act, 2013 read with Rule 16 of The Companies (Share Capital and Debentures) Rules, 2014:**

**a) The class of employees for whose benefit the Plan is being implemented and money is being provided for purchase of the shares:**

The Plan is being implemented and money is being provided for subscription of shares for the benefit of employees within the meaning of the ESOP Plan 2007. The class/classes of employees who are eligible subject to selection by the Board/ Nomination and Remuneration Committee are as under:

- (a) an employee of the company (as designated by the Company) working in India or out of India; or
- (b) a director of the Company, whether whole-time or not, including a non-executive director but excluding promoter director or an independent director or a member of the promoter group; or
- (c) an employee as defined in sub-clauses (a) or (b) in this clause, of a group company including subsidiary companies or its associate company or of a holding company of the Company but excludes: -
  - (i) an employee who is a promoter or a person belonging to the promoter group; or
  - (ii) a director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.

**b) The particulars of the Trustee or employees in whose favor such shares are to be registered:**

The Trust shall acquire and hold the shares in due compliance of the relevant provisions of SEBI SBEB Regulations and other applicable statutes. The shares will be registered in the name of the Trustees. The trustees shall transfer the equity shares in favor of the employees on exercise of the employee stock Options after realization of exercise price and applicable income tax, if any.

**c) The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:**

The following are the details of the Trust through which ESOP Plan 2007 is implemented.

Name and address of the Trust:

Patel Engineering Employees Welfare Trust  
 Patel Estate Road, Jogeshwari (West),  
 Mumbai – 400102

The Trustees of the Trust are as under:

Sr. No.	Name	Address	Occupation	Nationality
1	Mr. Rahul Agarwal	401/B, Blue Meadows, Near Majas Bus Depot, Jogeshwari (W), Mumbai-400060	Service	Indian
2	Ms. Yasmin Patel	Iqbal Heights, Flat No. 1601, 3 Y. M. C. A. road, Near Y. M. C. A. football ground, Agripada, Mumbai Central, Mumbai- 400008	Service	Indian
3	Ms. Savita Joag	C/1204, Building No.1, N.G Complex, Off. Military Road, Marol, Nr. Ashok Nagar, Andheri (E), Mumbai-400072	Service	Indian

The Board (including a Committee thereof) at its sole discretion may re-constitute the Board of Trustees at any time.

None of the Trustees is related to the Promoters, Directors or Key Managerial Personnel of the Company.

**d) Any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof:**

Promoters are not eligible to be covered under the Plans. However, key managerial personnel and Directors will be covered under the Plans in due compliance with relevant Companies Rules and SEBI SBEB Regulations. No key managerial personnel, Director or promoter are related to the Trust.

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

The employees of the Company and its subsidiaries/associate companies shall be granted Employee Stock Options under the ESOP Plan 2007 which would vest subject to vesting conditions prescribed by the Committee. After vesting and on exercise of the Options, the Trust shall transfer the Shares of the Company to the option grantee upon receipt of exercise price and taxes applicable. The option grantee may sell the Shares immediately after exercise or may hold and sell after a definite period of time at their discretion subject to applicable laws and regulation. Provision of loans by the Company to the Trust enables the Trust to implement the Plan.

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

The Trustees shall not vote in respect of Shares held in the Trust. In these circumstances, the voting rights can be exercised by an employee only when the Shares are transferred to them after due process of exercise of Options.

Consent of the members is being sought by way of a special resolution pursuant to Section 67(3)(b) of the Companies Act, 2013 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014.

None of the Directors and / or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Trust/ resolution, except to the extent of their entitlements, if any, under the Plan.

Accordingly, your Directors recommend the passing of the Special Resolution as specified in Item No. 4 of the Postal Ballot Notice.

**Item No. 5**

As per provisions of Regulation 7 of the SEBI SBEB Regulations, a Company may vary the terms of the ESOP Plan provided that such variation is not prejudicial to the interests of the option grantees /employees and that the proposal is approved by the shareholders of the Company by way of a special resolution.

Further to the resolution proposed at Item no. 2, 3 and 4, there require few amendments in the Company's ESOP Plan 2007 as specifically mentioned in the resolution no. 5 of this Postal Ballot Notice.

The aforesaid proposed variation is not detrimental to the interests of any option grantees /employees. The beneficiaries of such variation shall be the option grantees whom options would be granted in future.

Subject to Members approval, the Board of Directors of the Company have respectively approved the aforesaid proposed amendment vide its meeting dated May 13, 2022.

Given the details of amendments, rationale thereof and beneficiaries of such variation, consent of the members is being sought by way of a special resolution pursuant to Regulation 7 of the SEBI SBEB Regulations read with Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013.

Features of the ESOP Plan 2007 shall remain same as originally approved and as modified from time to time except as stated above. The amended copy of the ESOP Plan 2007 will be available for inspection upto the last date of the voting on the resolution.

## Disclosure pursuant to Regulation of 6(2) SEBI SBEB Regulation: (Schedule I Part-C)

- a) **brief description of the scheme(s):** The plan provides for grant of employee stock options (“Options”) to the employees including directors of the Company, and its subsidiary / associate company(ies), as may be permissible under the SEBI SBEB Regulations (hereinafter referred to as ‘Employees’). Upon vesting of Options, the eligible Employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain equity shares of the Company which shall be transferred through the Trust subject to payment of exercise price and satisfaction of any tax obligation arising thereon and other terms and conditions of the Plan.

The Nomination and Remuneration Committee (“Committee”) of the Company shall act as Compensation Committee for the supervision of Plan and Trust shall administer the Plan. All questions of interpretation of the Plan shall be determined by the Committee or Trust as per terms of the Plan.

- b) **the total number of options offered and granted:** On account of fresh allotment 2,39,61,525 Options would be available for grant in addition to the existing outstanding options available under ESOP Plan 2007. Each Option when exercised would be converted into one equity share of Re. 1/- (Rupee One only) each fully paid-up and shall be transferred by the Trust to the concerned Employee.
- c) **identification of classes of employees entitled to participate and be beneficiaries in the scheme(s):** The class of Employees eligible for participating in the Plan shall be determined based on grade of the Employee, role, designation of the Employee, length of service with the Company or its subsidiary /associates company(ies), overall performance of the Company and such other criteria that may be determined by the Committee at its sole discretion from time to time.

All employees including a Director, whether whole-time or not, of the Company and its subsidiary or associate or holding company(ies) in or outside India shall be eligible to participate in the Plan. Provided that the following persons shall not be eligible to participate in Plan:

- i. an employee who is a Promoter or belongs to the Promoter Group as defined in the SEBI Regulations; or
  - ii. a Director who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the issued and subscribed equity shares of the Company; or
  - iii. Independent Directors within the meaning of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- d) **requirements of vesting and period of vesting:** The vesting of an option would also be subject to the terms and conditions as may be stipulated by the NRC from time to time including but not limited to performance of the employees, their continued employment with the Company/its subsidiaries, as applicable. The vesting period shall commence any time after the expiry of one year from the date of the grant of the options to the employee and shall end over a maximum period of 7 years from the date of the grant of the options. The options could vest in tranches. The number of stock options and terms of the same made available to employees (including the vesting period) could vary at the discretion of the NRC.
- e) **maximum period (subject to regulation 18(1) and 24(1) of these regulations, as the case may be) within which the options / SARs / benefits shall be vested:** All the options granted shall be vested with in a maximum period of 48 months from the date of Grant.
- f) **exercise price:** The Exercise Price for all or any Options shall be determined by the Nomination and Remuneration Committee or the Board as the case may be but not less than the face value of the shares and subject to applicable laws.
- g) **exercise period/offer period and process of exercise/acceptance of offer:** The Exercise Period shall be 7 (seven) year from the Vesting Date or such other period as may be decided by Nomination and Remuneration committee from time to time.



- h) **the appraisal process for determining the eligibility of employees for the scheme(s);** The appraisal process for determining the eligibility of the Employee will be specified by the Committee and will be based on criteria such as grade of the employee, role/designation of the employee, length of service with the Company or with its subsidiary company(ies), his role in and contribution to the overall performance of the Company, the performance of profit centre/division to which he/she belongs, merits of the Employee, past performance record, future potential of the Employee and/or such other criteria that may be determined by the Committee at its sole discretion from time to time.
- i) **maximum number of options, SARs, shares, as the case may be, to be offered and issued per employee and in aggregate, if any:** Apart from grant of Options as stated above, no monetary benefits are contemplated under the Plan.
- j) **Maximum quantum of benefits to be provided per employee under a Scheme(s):** Maximum number of options granted/to be granted to an employee should not be equal to or more than 1% of the paid-up share capital of the company.
- k) **whether the scheme(s) is to be implemented and administered directly by the company or through a trust:** The scheme is to be implemented and administered through Patel Engineering Employees Welfare Trust.
- l) **whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:** The Company shall issue new shares in the scheme by way of fresh allotment.
- m) **the amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.:** The Company may provide an interest free loan or provide guarantee or security in connection with a loan granted to the Trust by an amount not exceeding 5% (Five Percent) of the aggregate of the paid up share capital and free reserves of the Company as per audited accounts as on March 31, 2022.
- n) **maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s):** This is not relevant under the Plan as the Plan contemplates to use fresh Equity Shares to be issued by the Company to the Trust.
- o) **a statement to the effect that the company shall conform to the accounting policies specified in regulation 15:** The Company shall follow the Accounting Standard IND AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein in due compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations. In addition, the Company shall disclose such details as required under the applicable laws including under other applicable provisions of the SEBI Regulations.
- p) **the method which the company shall use to value its options:** The Company shall comply with such applicable disclosure and accounting policies as prescribed by the Companies Act or the SEBI SBEB Regulations, as may be applicable and those prescribed by the concerned authorities from time to time.
- q) **period of lock-in:** The shares acquired under the Plan shall not be subject to any lock-in period except in case of an acquisition from the secondary market in which event the shares will be under a lock – in period of six months.
- r) **Terms & conditions for buyback, if any, of specified securities covered under these regulations:** Not Applicable.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

Accordingly, your Directors recommend the passing of the Special Resolution as specified in Item No. 5 of the Postal Ballot Notice.

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