

GMM/SEC/2021-22/46

November 2, 2021

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
1<sup>st</sup> Floor, Dalal Street,  
Mumbai – 400 001  
**Scrip Code: 505255**

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
**Symbol: GMMPFADLR**

**Sub.: Submission of Postal Ballot Notice to the Members**

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to our letter dated October 28, 2021, please find enclosed herewith the Postal Ballot Notice dated October 28, 2021 along with the Explanatory Statement (“Notice”) for seeking approval of Members of the Company on the following matters:

Sr. No.	Agenda Item	Manner of approval proposed
1	Approval of GMM Pfaudler Employee Stock Option Plan 2021	Special Resolution
2	Extension of benefits of the ‘GMM Pfaudler Employee Stock Option Plan 2021’ to the employees of subsidiary company(ies) of the Company	
3	Approval for amendment in the Articles of Association of the Company	

The Notice is being sent today, i.e. Tuesday, November 2, 2021, through electronic means only to the Members of the Company whose names appear on the Register of Members/ List of Beneficial Owners as on October 29, 2021, being the cut-off date and whose e-mail IDs are registered with their Depository Participant(s)/ the Company. Please note that the hard copy of the Notice along with the physical postal ballots have not been sent to the Members, as permitted by the Ministry of Corporate Affairs, vide its various circulars issued in view of the ongoing COVID-19 pandemic.

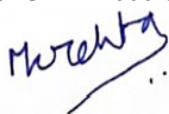
The remote e-voting period shall commence on Wednesday, November 3, 2021 at 09:00 a.m. IST and conclude on Thursday, December 2, 2021 at 05:00 p.m. IST. The results of the remote e-voting shall be declared on or before i.e. Saturday, December 2, 2021.

Copy of the said Notice is being made available on the website of the Company i.e. [www.gmmpfaudler.com](http://www.gmmpfaudler.com).

Kindly take the same on record.

Thanking you.

Yours faithfully,  
For **GMM Pfaudler Limited**



**Mittal Mehta**  
**Company Secretary & Compliance Officer**  
**FCS No. 7848**

Encl.: As above

**GMM Pfaudler Limited**

Corporate Office: 902, Lodha Excelus, Commercial Tower 1, New Cuffe Parade, Sewri - Chembur Road, Mumbai-400022. • O: +91 22 6650 3900

Registered Office & Works: Vithal Udyognagar, Anand - Sojitra Road, Karamsad - 388 325 • O: +91 2692 661700 • F: +91 2692 661888 • CIN : L29199GJ1962PLC001171

**sales@gmmpfaudler.com • www.gmmpfaudler.com**

**GMM PFAUDLER LIMITED**

**CIN: L29199GJ1962PLC001171**

**Registered Office & Works:** Vithal Udyognagar, Anand - Sojitra Road, Karamsad – 388325, Gujarat

**Email:** investorservices@gmmpfaudler.com; **website:** www.gmmpfaudler.com

**Tel:** +91 2692 661700/ 230416/ 230516; **Fax:** +91 2692 661888/ 661999

**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 other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), 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 and 10/2021 dated June 23, 2021 along with such other applicable circulars issued by MCA (hereinafter referred to as “MCA Circulars”) and any other applicable laws and regulations, to transact the below mentioned proposed special businesses by the Members of the GMM Pfaudler Limited (“Company”) by passing resolutions through postal ballot only through remote e-voting.

In view of the strict measures been continued by the government due to the COVID-19 pandemic requiring social distancing, the Ministry of Corporate Affairs, Government of India (“MCA”) in terms of the MCA Circulars, has advised companies to take all decisions requiring Members’ approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot e-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue. MCA has clarified that for companies that are required to provide e-voting facility under the Act, while they are transacting any business(es) only by postal ballot up to December 31, 2021, the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable *mutatis mutandis* to voting by postal ballot. Further, the Company will send postal ballot notice by e-mail to all those Members who have registered their email addresses with the Company or depository/ depository participants and the communication of assent/ dissent of the Members will only take place through the remote e-voting system. This postal ballot is accordingly being initiated in compliance with the MCA Circulars.

In compliance with the requirements of the MCA Circulars, hard copy of the postal ballot notice along with postal ballot forms and a 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 on resolutions through the remote e-voting system only.

The Board of Directors of the Company (“Board”) proposes to obtain the consent of the Members by way of postal ballot for the matters as considered in the resolutions appended below. The explanatory statement pursuant to Section 102 of the Act pertaining to the said resolutions setting out material facts and the reasons for the resolutions is also annexed to this Notice.

The Board at its meeting held on October 28, 2021, appointed Mr. Jayesh M. Shah (Membership No. FCS 5637), Partner of M/s. Rathi & Associates, Practicing Company Secretaries, Mumbai, as the scrutinizer (“Scrutinizer”) for ensuring the remote e-voting process be carried out in a fair and transparent manner.

You are requested to peruse the proposed resolutions along with their respective explanatory statement and thereafter record your assent or dissent to the said resolutions by means of remote e-voting facility provided by the Company.

For the purpose of remote e-voting, the Company has availed the electronic voting platform of the Company's registrar and share transfer agent, Link Intime India Private Limited. The instructions for e-voting are provided hereunder on pages 11 - 14. Members are entitled to cast their votes from 09:00 a.m. (IST) on Wednesday, November 3, 2021 onwards till 05:00 p.m. (IST) on Thursday, December 2, 2021.

This notice has also been placed on the website of the Company at [www.gmmpfaudler.com](http://www.gmmpfaudler.com) and on the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the equity shares of the Company are listed.

The Scrutinizer, after completion of scrutiny of the votes cast, will submit his report to the Chairman of the Board or any other authorized officer of the Company. The results of the said voting will be announced on or before Saturday, December 4, 2021, at the registered office of the Company, i.e. within 48 hours from the conclusion of the e-voting and will be displayed on the Company's website i.e. [www.gmmpfaudler.com](http://www.gmmpfaudler.com) and will be communicated to BSE and NSE, where the equity shares of the Company are listed.

#### **PROPOSED RESOLUTIONS:**

##### **1. Approval of GMM Pfaudler Employee Stock Option Plan 2021:**

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 the Rules made thereunder ("the Act"), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 ("SEBI SBEB & SE Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with such rules, guidelines and regulations issued by any other regulatory or governmental authority, as may be relevant (including any statutory amendment, modification or re-enactment thereof, for the time being in force), in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject further to such other consents, approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such consents, approvals, permissions and sanctions and based on the recommendation of the Board of Directors, the consent of the Members of the Company be and is hereby accorded to the introduction and implementation of 'GMM Pfaudler Employee Stock Option Plan 2021' ("ESOP Plan") the salient features of which are furnished in the explanatory statement to the Notice and authorizing the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee, which the Board has constituted to exercise certain powers including the powers conferred by this resolution) to create, grant, offer, issue and allot, from time to time, in one or more tranches, not exceeding 51,161 (Fifty One Thousand One Hundred Sixty One Only) Employee Stock Options ("Options") to or for the benefit of such person(s) as designated by the Company for the employment within the meaning of the ESOP Plan, (other than promoter or person belonging to the promoter group of the Company, independent directors and director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company), exercisable into not more than 51,161 (Fifty One Thousand One Hundred Sixty One Only) equity shares of face value of ₹ 2/- (Rupees Two) each fully paid-up, representing ~0.35% of the total paid up share capital of the Company, where one Option would convert in to one equity share upon exercise, 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 ESOP Plan.

**RESOLVED FURTHER THAT** the equity shares so issued and allotted as mentioned hereinbefore shall rank *pari passu* with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, as applicable from time to time, if any additional equity shares are issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the employee stock Options granted earlier, the ceiling in terms of Equity Shares specified above shall be deemed to be increased to the extent of such additional equity shares issued.

**RESOLVED FURTHER THAT** in case the equity shares are either sub-divided or consolidated, then the number of equity shares to be transferred or issued and allotted on exercise of Stock Options and the grant price of Stock Options shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of ₹ 2/- per equity share bears to the revised face value of the equity shares of the Company, after such sub-division or consolidation, without affecting any other rights or obligations of the Option grantees under the ESOP Plan.

**RESOLVED FURTHER THAT** the Board (including any Committee/ person(s) authorized by the Board) be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the ESOP Plan on the Stock Exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB & SE Regulations and other applicable laws.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB & SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP Plan.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP Plan and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion in relation to the above and also to settle all matters arising out of and incidental thereto, subject to the compliance with the applicable laws and regulations.

**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 but not limited to authorizing or directing to appoint merchant Bankers, brokers, solicitors, registrars, investors service centre and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the ESOP 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 take all such steps and decisions in this regard."

**2. Extension of benefits of the 'GMM Pfaudler Employee Stock Option Plan 2021' to the employees of subsidiary company(ies) of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder ("the Act"), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 ("SEBI SBEB & SE Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with such rules, guidelines and regulations issued by any other regulatory or governmental authority, as may be relevant (including any statutory amendment, modification or re-enactment thereof, for the time being in force), in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other consents, approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such consents, approvals, permissions and sanctions and based on the recommendation of the Board of Directors, the consent of the Members of the Company be and is hereby accorded to extend the benefits and coverage of 'GMM Pfaudler Employee Stock Option Plan 2021' ("ESOP Plan") referred to in Resolution No. 1 of this Notice and within the ceiling as enumerated therein to the eligible employees of the group company(ies), associate company(ies), subsidiary company(ies) and/or holding company(ies) of the Company, whether in India or outside, if any, 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 ESOP Plan.

**RESOLVED FURTHER THAT** the Board (including any Committee/ person(s) authorized by the Board) to do all such acts, deeds, and things, as they may, in their absolute discretion deem necessary and incidental to the effective implementation, administration and such extension of the ESOP Plan.”

**3. Approval for amendment in the Articles of Association of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 and such other applicable provisions of the Companies Act, 2013, if any, and any other applicable laws, consent of the Members of the Company be and is hereby accorded for the substitution of Articles 155.1.(e) of the Articles of Association of the Company with the following new Article 155.1.(e):

**Article 155.1.(e):**

‘In addition to the abovementioned Directors appointed or nominated by the Promoters, the Company will have *at least* 4 (four) other Directors, who shall be independent directors elected and appointed at a general meeting of the shareholders and not liable to retire by rotation, as may be required to comply with any Applicable Law.’

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee/ person(s) authorized by the Board), be and are hereby authorized to settle any question, difficulty or doubt that may arise giving effect to this resolution and to do all such acts, deeds and matters as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

**By order of the Board of Directors  
of GMM Pfaudler Limited**

Sd/-

**Mittal Mehta  
Company Secretary  
Membership No. FCS 7848**

**Place: Mumbai  
Date: October 28, 2021**

**Registered office:  
Vithal Udyognagar, Anand-Sojitra,  
Karamsad – 388 325, Gujarat**

**NOTES:**

1. The explanatory statements setting out the material facts pursuant to Section 102(1) of the Act and the other applicable provisions of the Act for the proposed Resolutions are annexed hereto. The approval of the Members of the Company is being sought through the remote e-voting facility only.
2. This postal ballot notice is being sent by e-mail to all the Members, whose names appear on the register of Members/list of beneficial owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on Friday, October 29, 2021 (the “Cut-Off Date”) and who have registered their e-mail addresses in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with the Company’s registrar and share transfer agent, Link Intime India Private Limited (“RTA”).

3. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up share capital of the Company as on the Cut-Off Date. Any recipient of the postal ballot notice who was not a Member of the Company as on the Cut-Off Date should treat this postal ballot notice for information purpose only.
4. Pursuant to the applicable provisions of the Act and Rules framed thereunder and the SEBI Listing Regulations, the Company can serve notices, annual reports and other communication through electronic mode to those Members who have registered their e-mail addresses either with the depository participant(s) or the Company. Members who have not registered their e-mail addresses with the Company can now register the same by sending an e-mail to the RTA on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). Members holding shares in demat mode are requested to register their e-mail addresses with their depository participant(s) only. Post successful registration of the e-mail, the Members would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable remote e-voting for this postal ballot. In case of any queries, Members may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
5. The Members are requested to read carefully the instructions and complete the remote e-voting on or before 5.00 p.m. on Thursday, December 2, 2021.
6. Resolutions, if passed by the Members through postal ballot are deemed to have been duly passed on the last date specified for the remote e-voting i.e. Thursday, December 2, 2021 in terms of Secretarial Standard – 2 on general meetings issued by the Institute of Company Secretaries of India.
7. A Member cannot exercise his vote by proxy on postal ballot.
8. As required by Rule 20 and Rule 22 of the Rules read with the MCA Circulars and the SEBI Listing Regulations, the details pertaining to this postal ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one regional daily newspaper circulating in the State of Gujarat (in vernacular language, i.e. Gujarati).
9. In case of any query/grievance in connection with the postal ballot including e-voting, Members may contact the RTA by e-mail at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or call on 022-49186175.
10. The postal ballot notice is also placed on the website of the Company [www.gmmpfaudler.com](http://www.gmmpfaudler.com) and shall also be available on the websites of the Stock Exchanges where the shares of the Company are listed i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
11. The Board at its meeting held on October 28, 2021, has appointed Mr. Jayesh M. Shah (Membership No. FCS 5637), Partner of M/s. Rathi & Associates, Practicing Company Secretaries, Mumbai, as the scrutinizer (“Scrutinizer”) for conducting the remote e-voting process in a fair and transparent manner. After completion of scrutiny of the votes, the Scrutinizer will submit his report to the Chairman or any other authorized officer of the Company. The results of the remote e-voting conducted through postal ballot (through the remote e-voting process) will be announced by the Chairman/ Company Secretary on or before Saturday, December 4, 2021.
12. The Restated Articles referred to in this postal ballot notice and explanatory statement will be available electronically for inspection by the Members from the date of circulation of this Notice up to the conclusion of the remote e-voting period i.e. Thursday, December 2, 2021. Members seeking to inspect such documents may send an e-mail to [investorservices@gmmpfaudler.com](mailto:investorservices@gmmpfaudler.com) or [mittal.mehta@gmmpfaudler.com](mailto:mittal.mehta@gmmpfaudler.com) requesting a copy of the same.
13. The results of the postal ballot will be placed on the Company’s website at [www.gmmpfaudler.com](http://www.gmmpfaudler.com) and will also be intimated to the Stock Exchanges where the shares of the Company are listed i.e. BSE and NSE, in accordance with the provisions of SEBI Listing Regulations.
14. Instructions and other information relating to remote e-voting is provided under the section “Electronic Voting Particulars”.

## EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO AND FORMING PART OF POSTAL BALLOT NOTICE

### Item No. 1 and 2:

#### **Approval of GMM Pfaudler Employee Stock Option Plan 2021 and extension of its benefits to the employees of subsidiary company(ies) of the Company**

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

The Company intends to attract and retain key talent by way of rewarding their good performance and motivate them to contribute them to the overall growth and profitability of the Company. Towards this objective and to promote the culture of Employee ownership, the Company proposes to introduce the “GMM Pfaudler Employee Stock Option Plan 2021” (hereinafter referred to as the “ESOP Plan”), whereby it proposes to issue Stock Options of the Company to the identified employees of the Company, its group company(ies), associate company(ies), subsidiary company(ies) and/or holding company(ies) of the Company, whether in India or outside, if any.

Accordingly, the Nomination and Remuneration Committee (“NRC”) and the Board of Directors of the Company at their respective meetings held on October 27, 2021 and October 28, 2021 approved the introduction of the ESOP Plan.

Approval of the Members is sought in terms of Section 62(1)(b) of the Companies Act, 2013 and Rules made thereunder read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB & SE Regulations”), for implementation of the ESOP Plan and grant of Options thereunder to the eligible employees of the Company, as decided from time to time, as per provisions of the ESOP Plan read with provisions of SEBI SBEB & SE Regulations.

The main features of the ESOP Plan are as under:

#### **a) Brief Description of the ESOP Plan:**

Keeping in view the aforesaid objectives, the ESOP Plan contemplates grant of Options to the identified employees of the Company and of its subsidiary, associate, group and/or holding company(ies). After vesting of Options, the Employees earn a right, but not obligation, to exercise the vested Options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The NRC shall act as the Compensation Committee as required under SEBI SBEB & SE Regulations for the administration of the ESOP Plan. All questions of interpretation of the ESOP Plan shall be determined by the NRC and such determination shall be final and binding upon all persons having an interest in the ESOP Plan.

#### **b) Total number of Options to be granted:**

The total number of Options to be granted under the ESOP Plan shall not exceed 51,161 (Fifty One Thousand One Hundred Sixty One Only). Each Option when exercised would be converted in to one equity share of face value of ₹ 2/- (Rupees Two) each fully paid-up i.e. total of 51,161 Equity Shares representing ~0.35% of the total paid up share capital of the Company.

Further, SEBI SBEB & SE Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and price of the Options granted in such a manner that the total value of the Options granted under the ESOP Plan remain the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling of 51,161 (Fifty One Thousand One Hundred Sixty One Only), shall be deemed to be increased to the extent of such additional Options issued.

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

All employees and Directors (hereinafter referred to as “Employees”) of the Company shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

- (i) an employee as designated of the Company, who has been working in India or outside India;
- (ii) a director of the Company, whether a whole-time director or not including a non-executive director who is not a Promoter or member of the Promoter Group.
- (iii) an employee as defined in sub clause (i) or (ii), of a Group Company including Subsidiary Company or its Associate Company, in India or outside India, or of a Holding Company.

**but does not include—**

- 1. an employee who is a Promoter or belongs to the Promoter Group; and
- 2. a director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.
- 3. a Director being an Independent Director.

**d) Requirements of Vesting and period of Vesting:**

All the Options granted on any date shall vest on expiry of the minimum period of 1 (one) year from the date of grant of Options and not later than maximum period of 3 (three) years from the date of Grant.

The vesting dates in respect of the Options granted under the ESOP Plan shall be determined by the NRC and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of Options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SEBI SBEB & SE Regulations. Apart from that the NRC may prescribe achievement of any performance condition(s) for vesting.

**e) Maximum period within which the Options shall be vested:**

All the Options granted on any date shall vest not later than the maximum period of 3 (three) years from the date of grant.

**f) Exercise price or pricing formula:**

The Exercise Price shall be decided by the NRC which shall in no case be lesser than the 90% of the average of the last six months of the closing share price of the Company on the date of grant of Options. The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter issued at the time of Grant.

Explanation: In case the Shares are listed on more than one Recognized Stock Exchange, then the Stock Exchange where there is highest trading volume on the said date shall be considered for the purpose of determining the Exercise Price.

**g) Exercise period and the process of exercise:**

The Exercise Period in respect of the Vested Options shall be as under:

Vesting	Vesting Percentage	Exercise Period
1 <sup>st</sup> Vesting	0%	-
2 <sup>nd</sup> Vesting	33% of the total Options granted	2 years from the date of vesting
3 <sup>rd</sup> Vesting	67% of the total Options granted	1 year from the date of vesting



The vested Option shall be exercisable by the Option grantees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the NRC from time to time. Exercise of Options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the Option grantee. The Options shall lapse if not exercised within the specified exercise period.

**h) Appraisal process for determining the eligibility of employees under the ESOP Plan:**

The appraisal process for determining the eligibility of the Employees will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the NRC.

**i) Maximum number of Options to be issued per employee and in aggregate:**

The maximum number of Options under the ESOP Plan that may be granted to each Employee in any year shall in aggregate not more than 5,116 (Five Thousand One Hundred and Sixteen Only) Options at the time of Grant of Option.

**j) Maximum quantum of benefits to be provided per employee under the ESOP Plan:**

Apart from grant of Options as stated above, no monetary benefits are contemplated under the ESOP Plan.

**k) Route of the ESOP Plan implementation:**

The ESOP Plan shall be implemented and administered directly by the Company.

**l) Source of acquisition of shares under the ESOP Plan:**

The ESOP Plan contemplates issue of fresh/ primary shares by the Company.

**m) Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:**

This is currently not contemplated under the present ESOP Plan.

**n) Maximum percentage of secondary acquisition:**

This is not relevant under the present ESOP Plan.

**o) Accounting and Disclosure Policies:**

The Company shall follow the IND AS 102 on Share-based payments and/ or any relevant accounting standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein, in compliance with relevant provisions of SEBI SBEB & SE Regulations. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB & SE Regulations.

**p) Method of Option valuation:**

The Company shall adopt 'fair value method' for valuation of Options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

**q) Lock-in:**

The shares issued pursuant to exercise of vested options shall not be subject to any lock-in however shall comply with provisions of Company's Code of Conduct for Prevention of Insider Trading framed under and read with Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

**r) Declaration:**

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

Consent of the Members is being sought by way of Special Resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB & SE Regulations.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolutions except to the extent they may be lawfully granted Options under the ESOP Plan.

The Board recommends the resolutions as set out in Item Nos. 1 and 2 for the approval of the Members as Special Resolutions.

**Item No. 3:**

**Approval for amendment in the Articles of Association of the Company**

As per Article 155.1. of the Articles of Association of the Company, the Board of Directors (“Board”) can comprise of a maximum of 9 Directors. The current Board strength is 8 out of which 4 are Independent Directors.

Dr. Swaminathan Sivaram, an Independent Director, is due to retire in August 2022; on account of which the Company proposes to appoint a new Independent Director at the earliest. Further, the Company intends to have the flexibility to appoint more Independent Directors on the Board, if required, from time to time.

Article 155.1.(e) of the Articles of Association of the Company restricts the maximum number of Independent Directors to be appointed on the Board to 4 Directors. Accordingly, to ensure compliance with applicable laws going forward and in the spirit of good governance, Article 151.1.(e) is proposed to be altered by insertion of the word “at least” before the word “4 (four)” thereby enabling the Company to appoint additional Independent Directors, as may be required from time to time.

As per Section 14 of the Companies Act, 2013, amendment to the Articles of Association of the Company would require to be approved by the Members of the Company through a Special Resolution.

The draft of the amended Articles of Association will be available electronically for inspection by the Members from the date of circulation of this Notice up to the last date for remote e-voting i.e. Thursday, December 2, 2021. Members seeking to inspect such document may send an email to [investorservices@gmmpfaudler.com](mailto:investorservices@gmmpfaudler.com) or [mittal.mehta@gmmpfaudler.com](mailto:mittal.mehta@gmmpfaudler.com) requesting a copy of the same.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution as set out in Item No. 3 for the approval of the Members as a Special Resolution.

**By order of the Board of Directors  
of GMM Pfaudler Limited**

**Sd/-  
Mittal Mehta  
Company Secretary  
Membership No. FCS 7848**

**Place: Mumbai  
Date: October 28, 2021**

**Registered office:  
Vithal Udyognagar, Anand-Sojitra, Karamsad – 388 325 Gujarat**

## Electronic Voting Particulars

1. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Rules and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its Members, the facility to exercise their vote through electronic means i.e. 'remote e-voting' on Resolutions proposed to be passed through this postal ballot notice.
2. The cut-off date for the purpose of remote e-voting is on October 29, 2021.
3. The remote e-voting facility will be available during the following voting period:  
  
Commencement Date & time: Wednesday, November 3, 2021 at 09:00 a.m. (IST)  
  
Conclusion Date & time: Thursday, December 2, 2021 at 05:00 p.m. (IST)
4. Mr. Jayesh Shah, Partner of M/s. Rathi & Associates, Practicing Company Secretaries (Membership No. F 5637) has been appointed as the Scrutinizer to scrutinize the voting in a fair and transparent manner.
5. For the purpose of remote e-voting, the Company has availed the electronic voting platform of the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited ('LI IPL').

Pursuant to SEBI circular on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode can vote through:

- a) their demat account; or
- b) the facility provided by their respective depositories and/or depository participants.

Shareholders are advised to update their mobile number and e-mail Id in their demat accounts to access e-Voting facility.

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

1. Individual Shareholders holding securities in demat mode with NSDL
  1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsd.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 name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
  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://eservices.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 hold 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 name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL
  1. Existing users who have opted for Easi/ Easiest, 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 <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
  2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
  3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
  4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
  
3. 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 name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

**Login method for Individual shareholders holding securities in physical form is given below:**

Individual Shareholders of the Company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of LIIPL as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

**A. User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click “confirm” (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

#### **Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour/ Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour/ Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

#### **Guidelines for Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian/ Mutual Fund/ Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian/ Mutual Fund/ Corporate Body**' login for the Scrutinizer to verify the same.

#### **Individual Shareholders holding securities in Physical mode who has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID (Login ID) or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case Shareholder is having a valid e-mail address, Password will be sent to his/ her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical mode (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

#### **Individual Shareholders holding securities in demat mode with NSDL/ CDSL who has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants' website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical mode, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, Shareholders/ Members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22- 23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.