

## **ESSEL PROPACK LIMITED**

**Regd. Off. :** P.O. Vasind, Tal. Shahapur, Dist. Thane, Maharashtra - 421 604, India.

**Phone:** 91-22-24819000/9200, **Fax:** +91-22-24963137 **Website:** www.esselpropack.com

**Email:** investor.grievance@ep.esselgroup.com, **Corporate Identity Number:** L74950MH1982PLC028947

### **POSTAL BALLOT NOTICE**

(Pursuant to Section 110 of the Companies Act, 2013)

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the **Act**") read with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended are proposed to be passed as special resolutions by way of postal ballot. The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a postal ballot form ("the **Form**") for your consideration. The Board of Directors of the Company ("the **Board**") has appointed Mr. Dharmesh Zaveri of D M Zaveri & Co., Practising Company Secretary, as the scrutinizer ("the Scrutinizer") for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling the necessary details and affixing your signature at the designated place in the Form and return the Form in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India), so as to reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on January 27, 2015.

Members may choose to vote using the e-voting facility. Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman. The result of the postal ballot will be displayed at the registered office of the Company, intimated to the stock exchanges where the shares of the Company are listed and displayed alongwith the Scrutinizer's report on the Company's website viz. [www.esselpropack.com](http://www.esselpropack.com) on January 30, 2015.

#### **RESOLUTIONS:**

##### **1. To approve "Essel Employee Stock Option Scheme 2014."**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Companies Act") and rules made thereunder and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI Regulations") and subject to such other approvals, consents, permissions and sanctions as may be necessary, the approval and consent of the Company be and is hereby accorded respectively to the 'Essel Employee Stock Option Scheme 2014' (hereinafter referred to as the "ESOS 2014"/ "Scheme") and to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Nomination & Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time upto 75,00,000 (Seventy Five Lakhs only) Options to its employees, whether existing and future, working in India or out of India, but not including i) any employee who is a promoter or any other person belonging to promoter group, or ii) any director of the Company whether or not an employee, (hereinafter referred to as "Employee" or "Employees"), as may be decided solely by the Board under the Scheme, exercisable upto 75,00,000 (Seventy Five Lakhs only) Equity Shares of face value of Rs. 2/- each fully paid up, in one or more tranches, on such terms and in such manner and subject to such conditions as the Board may decide in accordance with the provisions of the law or regulations issued by the relevant authorities."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot Equity Shares to the Employees upon exercise of Options from time to time in accordance with ESOS 2014 or allot Equity Shares to a Trust set-up to administer ESOS 2014 and that it may also envisage for providing of any financial assistance to the Trust to enable the Trust to acquire, purchase, subscribe or hold the Equity Shares of the Company for the implementation of the Scheme as per applicable laws."

**"RESOLVED FURTHER THAT** the number of Options that may be granted to any Employee during any one year shall not exceed one percent of the issued capital of the Company at the time of the grant of option or as may be prescribed under SEBI regulations as amended from time to time."

**“RESOLVED FURTHER THAT** the Equity Shares to be allotted and issued by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company.”

**“RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, stock split or consolidation, change in capital structure, merger, amalgamation, sale of division/ or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling of 75,00,000 (Seventy Five Lakhs Only) Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.”

**“RESOLVED FURTHER THAT** the grant of Option shall be in accordance with the terms and conditions as regards price, payment, application, allotment etc. as decided by the Board from time to time in accordance with the SEBI Regulations.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Equity Shares allotted under the ESOS 2014 on the Stock Exchanges where the Shares of the Company are listed and to determine all other terms for the purpose of giving effect to any offer, issue or allotment of Equity Shares or securities or instruments representing the same, as described above under ESOS 2014 and to do all such acts, deeds and things and to execute all such deeds, documents, instruments and writings as it may at its sole and absolute discretion deem necessary or expedient and to settle any questions, difficulty or doubt that may arise in this behalf without being required to seek further consent or approval of the members.”

2. To approve the **EsseL Employee Stock Option Scheme 2014** for subsidiaries.

To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** the benefits of the EsseL Employee Stock Option Scheme 2014 proposed under Resolution no.1 of this Notice as approved by the Members, be extended to the employees, whether existing and future, working in India or out of India of the subsidiary companies of the Company, as may be decided by the Board of Directors of the Company (hereinafter referred to as the “the Board” which terms shall be deemed to include any committee including Nomination and Remuneration Committee of the Board), so however that the total options granted to the employees of the Company and of its subsidiaries shall not exceed 75,00,000 (Seventy Five Lakhs only).

**RESOLVED FURTHER THAT** Board of directors be and are hereby severally authorized on behalf of the Company to sign such documents, agreements, undertakings as may be necessary to give effect to this resolution.”

3. Payment of remuneration to Mr. Ashok Goel as Vice Chairman & Managing Director of the Company.

To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Central Government and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, the Company hereby approves payment of minimum annual remuneration to Mr. Ashok Goel, Vice Chairman and Managing Director, for the period of three years commencing from October 21, 2013 as set out in explanatory statement of material facts annexed thereto, in the event the Company has no profits or if its profits are inadequate in any financial year.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board of Directors duly authorised in that behalf for the time being exercising powers conferred on the Board by this resolution) be and is hereby authorized to alter, vary or modify from time to time the said terms and conditions within the limits specified in the Act or make any amendments thereto or otherwise as may be permissible by law and do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard”.

**By order of the Board of Directors  
EsseL Propack Limited**

Ajay N. Thakkar  
Company Secretary & Head- Legal

Mumbai, 22 December, 2014

**Notes and instructions:**

1. The Explanatory Statement and reasons for the proposed Special Business under Item No. 1 to 3 pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out the material facts and reasons of the proposed special resolutions are annexed herewith along with the Form for your consideration.
2. The Company has appointed Mr. Dharmesh Zaveri, of D M Zaveri & CO., Practising Company Secretary, as the Scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on December 19, 2014.
4. In compliance with provisions of Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and clause 35B of the listing agreement entered into with the stock exchanges, the Company is pleased to offer e-voting facility as an options to all the Members of the Company. The Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting in order to enable the Members to cast their votes electronically instead of dispatching postal ballot form. Please note that e-voting is optional. Members have options to vote either through Postal Ballot or through e-voting. If a member has opted for Physical Postal Ballot, then he/she should not vote by e-voting and vice versa. However, in case Members cast their vote through physical postal ballot and e-voting, then vote cast through physical postal ballot shall be considered and vote cast through e-voting shall be treated as invalid.
5. Voting in the Postal ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional Members shall be entitled to vote through their authorized representatives with proof of their authorization.

**EXPLANATORY STATEMENT FOR RESOLUTIONS MENTIONED UNDER ITEM NOS. 1 TO 3 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS THE “ACT”)**

**Item No. 1 & 2**

- 1) Equity based compensation is a well established practice among progressive employers for aligning the employees’ efforts with organizational objectives, fostering sense of ownership by benefiting from value creation and for attracting & retaining talent.
- 2) EsseL Propack today is a global leader in laminated tubes used by FMCG & Pharma brands, with operation in 11 countries through subsidiaries, associates & joint ventures. The Company’s consolidated turnover in FY 14 was Rs. 2127 crores. The Company’s strategy is to sustain profitable growth by diversifying its product offerings to value added non-oral care categories such as hair care, skin care, beauty care, foods & pharma where the Company sees a huge opportunity to leverage its R & D & technical capabilities and global reach. In this context, the Company proposes to implement the EsseL Employee Stock Option Scheme 2014 (hereinafter referred to as the “ESOS 2014”/ “Scheme”) to incentivise and reward employees for their contribution to the achievement of the Company’s future growth plan.
- 3) Accordingly, the Board of Directors of the Company at its meeting held on December 22, 2014 approved introduction of the ESOS 2014 subject to the approval of the Members and the provisions of the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI Regulations”) as amended from time to time and authorised the Nomination and Remuneration Committee to formulate the detailed terms and conditions of the ESOS2014 and to administer and implement the ESOS 2014 in accordance with the SEBI Regulations as amended from time to time.

**ESOS 2014- Key features:**

The ESOS 2014 shall be in accordance with the “SEBI Regulations”.

**(i) Total number of Options to be granted**

The maximum number of options to be granted to the eligible employees of the Company and of its subsidiaries and the resulting equity shares that may be issued pursuant to the exercise of options in the ESOS 2014 shall not exceed 75,00,000 fully paid Equity Shares of Rs. 2 each.

**(ii) Identification of the Class of employees entitled to the Scheme.**

Identification of employees eligible to participate in the ESOS and grant of options to identified employees will be based on such parameters as may be decided by the Nomination and Remuneration Committee in its discretion from time to time. Employees

for this purpose will mean employees in the permanent employment of the Company & of its subsidiaries present & future, including under fixed period contract & whether employed in India or outside India. But directors of the Company and any employee who is a promoter or belongs to promoter group will not be covered by this scheme.

**(iii) Award of Options**

The Nomination and Remuneration Committee may, on such dates as it shall determine, grant to such eligible employees as it may in its absolute discretion, Options on the fully paid equity shares of the Company on the terms and conditions and the consideration as it may decide.

**(iv) Requirements and Period of Vesting**

- i. The vesting may happen in one or more years over a period as determined by Nomination and Remuneration Committee.
- ii. The vesting of options will be linked to achievement of such financial targets as the Nomination and Remuneration Committee may set in the context of the Company's future growth plans.
- iii. The vesting period may vary from allottee to allottee based on various attending circumstances, and shall be at the exclusive discretion of the Nomination and Remuneration Committee, but shall never be less than the minimum vesting period stipulated, if any, under SEBI Regulation and/or provisions of any attending statutory enactments.
- iv. Except in case of retirement, demise or permanent incapacity, continuation of the Employee in the service of the Company or its subsidiaries, as the case may be, shall be a primary requirement for the vesting of the options. The Nomination and Remuneration Committee shall formulate the other requirements of vesting, which may, inter alia, include individual performance, efficiency or productivity criteria.
- v. The maximum vesting period of options shall be not more than five years from the date of grant of options.
- vi. So long as it is required by SEBI Regulations, in the event of the death of an employee while in employment, all the options granted to him till such date shall vest in the legal heirs or nominees of the deceased employee, and in the event of permanent incapacity while in employment, all the options granted to him as on the date of permanent incapacitation shall vest in him on that date.

**(v) Exercise Price**

All Options would be granted at the market price on the date of grant, as defined in the SEBI Regulations.

**(vi) Exercise Period and the Process of Exercise**

The exercise period will commence from the date of first vesting and will be valid for a maximum period of four years after the last vesting. The options shall be deemed to have been exercised when an Employee makes an application in writing to the Company for the issuance of Equity Shares against the options vested in him, or for encashment under cashless scheme as provided in SEBI Regulations.

Upon the expiry of exercise period, the options granted and vested under ESOS 2014 shall not be exercisable and shall lapse. However, the lapsed options shall be available for fresh issue, unless cancelled by the Board.

**(vii) Appraisal Process for Determining the Eligibility of employees**

The appraisal process for determining the employees to whom the options shall be granted, shall be based upon the performance of the Employees as indicated by the annual performance appraisal, minimum period of service, the status of the Employees in the Company and other factors deemed relevant by the Nomination and Remuneration Committee.

**(viii) Maximum Number of Options to be issued per employee and in aggregate**

The maximum number of options granted to the identified employees during any one year, shall not exceed 1% of the issued capital of the Company at the time of grant of Option. However in case the number of options granted, during any one year, to the employee exceeds 1% of the issued capital of the Company, then approval of shareholders by way of separate resolution shall be obtained by the Company. The maximum number of options granted to the employees in aggregate shall not exceed 75,00,000 (Seventy Five Lakhs Only).

**(ix) Accounting Policies and Disclosures**

The Company will confirm to the disclosures and the accounting policies prescribed under SEBI Regulations and by other regulatory authorities from time to time.

**(x) Method to be used to determine the Value of the Options**

The Company shall use the intrinsic value method to value its options. The difference between the employee compensation cost computed under intrinsic value method and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

**(xi)** The Board of Directors subject to SEBI Regulations may make any modifications, changes and variations in the terms and conditions of the Scheme including but not limited to those relating to exercise price, eligibility criteria, number of options etc. to reflect fair adjustment needed including in the event of intervening corporate action such as bonus issue, rights issue, change in capital structure, mergers etc.

4) As per SEBI Regulation any scheme offering stock options to the employees must be approved by the members by way of special resolution. Also since the said scheme will entail further shares to be offered to persons other than existing members of the Company, consent of the members by way of special resolution is required as per Section 62 of the Companies Act, 2013 read alongwith rules framed thereunder.

Furthermore, in terms of the SEBI Regulation, a separate resolution is required to be passed if the benefits under the scheme are also to be extended to the employees of subsidiary companies. A resolution is proposed accordingly under item no. 2 to cover the Employees of subsidiary companies of the Company.

The Board recommends the Resolution at item no.1 and 2 of the Notice for approval of the Members by a Special Resolution.

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

**Item No. 3**

The members of the Company at the 30<sup>th</sup> Annual General meeting held on July 09, 2013 subject to the approval of the Central Government had approved the re-appointment of Mr. Ashok Goel as Managing Director of the Company (designated as Vice Chairman & Managing Director) for the period of 5 (five) years with effect from October 21, 2013 and for the payment of minimum annual remuneration to him for the period of 3 (three) years commencing from October 21, 2013, in case the Company has no profits or its profits are inadequate in a financial year and further authorized the Board of Directors to revise, amend, alter and vary the terms and conditions within the limits specified in the Act, in such manner as may be permissible in accordance with the provisions of the Companies Act, 1956 read with schedule VIII thereto.

Accordingly, the Company made an application to Central Government for re-appointing Mr. Goel as Managing Director and payment of minimum annual remuneration. Thereafter, the Ministry of Corporate Affairs vide letter bearing reference no. B82928094/03/2013-CL-VII dated July 31, 2014 confirmed re-appointment of Mr. Goel as Vice Chairman & Managing Director for the period of 5 (five) years i.e. from October 21, 2013 to October 20, 2018 and payment of remuneration to Mr. Goel for the period October 21, 2013 to March 31, 2014.

In view of the introduction of Companies Act, 2013 ("the New Act") and as per the circular no. 32/2014 dated July 23, 2014 issued by the Ministry of Corporate Affairs, the earlier resolution passed under the provisions of the Companies Act, 1956 ("the Old Act") in respect of minimum remuneration shall stand invalid for any application to Ministry of Corporate Affairs in future. Accordingly, the Company is seeking fresh approval of the members, for payment of minimum remuneration to the Vice Chairman & Managing Director for the period of 3 years commencing from October 21, 2013 on the same basis as earlier approved at the 30<sup>th</sup> Annual General Meeting.

In view of the aforesaid, the members are requested to re-consider and approve the payment of minimum annual remuneration to Mr. Goel for the period of 3 years commencing from October 21, 2013 as detailed below:

**1) Remuneration:**

**(i) Salary**

Basic Salary Rs. 20,50,000 per month in the salary range of Rs. 20,00,000 – Rs. 2,00,000 – Rs. 30,00,000.

The Board shall decide such increment each year as recommended by the Nomination & Remuneration Committee, the first of such increment shall be effective April 01, 2014.

**(ii) Variable Pay**

A variable pay for achievement of Annual Performance targets as agreed and assessed by the Nomination & Remuneration Committee and approved by the Board, which shall not exceed 100 % of the Basic Salary, for the year under consideration.

**(iii) Perquisites**

Besides Salary and Variable pay, he shall be entitled to Perquisites, subject to ceiling of 50 % of the Basic Salary, which inter alia includes House Rent Allowance or Furnished Accommodation or Reimbursement of Rent, furnishing and maintenance of accommodation in case it is arranged by him, reimbursement of gas, electricity and water expenses, reimbursement of salary paid for domestic help and security guards at residence, medical reimbursement for self and family incurred in India /abroad, Leave Travel allowance for self and family etc.

(For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of such Rules, perquisites shall be evaluated at the actual cost).

**II) Provident Fund/Leave:**

- i) He will also be eligible for following benefits i.e. contribution to Provident fund, Pension/ Superannuation fund and Gratuity as per the Rules of the Company.
- ii) Earned / Privilege leave as per the rules of the Company including Encashment of Leave. Encashment of Leave at the end of the tenure, contribution to Provident Fund, Superannuation Fund and Gratuity shall not be included in the computation of limits for the remuneration or perquisites aforesaid as these are exempt under Schedule V of the Companies Act, 2013.

**III. Other Benefits:**

The Company shall reimburse membership fees of two clubs as may be considered appropriate and provide car(s) with driver and other communication facilities. The use of the company's car(s) for official duties and telephone / communication facilities shall be exempt and shall not be included in the computation of perquisites as per Schedule V of the Companies Act, 2013.

**IV. Minimum Remuneration:**

Where in any financial year during his tenure as the Vice Chairman and Managing Director, the Company has no profits or its profits are inadequate under Section 197 of the Companies Act, 2013, the remuneration as stated above consisting of salary, perquisites and variable pay shall be treated as the minimum remuneration and same shall be payable to him.

This should also be considered and treated as abstract of the terms of remuneration of Mr. Ashok Goel as Vice Chairman and Managing Director and a memorandum as to nature of concern or interest under Section 190 of the Companies Act, 2013.

The proposed remuneration payable to Mr. Ashok Goel as Managing Director may exceed the limit prescribed in the Section 197 of the Companies Act, 2013 and profits may be inadequate to such extent. The statement as required under Part II, Section II, of the Schedule V of the Companies Act, 2013 with reference to Special Resolution as Item No. 3 is annexed hereto as Annexure.

The Board recommends the Resolution at Item No. 3 of the Notice for approval of the Members by a Special Resolution.

None of the Directors, the Key Managerial Personnel of the Company and the relatives of Directors and / or the Key Managerial Personnel except Mr. Ashok Goel, Mr. Subhash Chandra (being related to him) and Mr. Atul Goel (being related to him) are concerned or interested in the said resolution.

**By order of the Board of Directors  
Essel Propack Limited**

Ajay N. Thakkar  
Company Secretary & Head- Legal

Mumbai, 22 December, 2014

Annexure forming part of the Explanatory Statement as required to be given pursuant to Part II of Section II of Schedule V of the Companies Act, 2013, for payment of Remuneration to Managing Director in excess of limits specified in case of inadequate profits.

**I. General Information**

**a) Nature of Industry:**

Manufacturing of Laminated and Plastic Tubes (Packaging Industry).

**b) Date of expected date of commencement of commercial production:**

Date of commencement of commercial production was June 01, 1984. Date of Incorporation of the Company was December 22, 1982.

**c) In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

**d) Financial performance based on given indicators:**

As per the Audited Accounts (India operations) of the previous three financial years:-

Amount in Rs.

Particulars	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012
<b>Total Income</b>	6,935,286,132	6,183,426,925	5,418,776,171
<b>Profit before Tax</b>	756,349,187	661,655,633	515,507,136
<b>Profit after Tax</b>	544,892,636	498,424,263	490,745,886

**e) Foreign Investments or collaborations, if any:**

There are no foreign investments of collaborations in the Company.

**II. Information about the appointee**

**1. Background Details:**

- Name : Mr. Ashok Goel
- Father's Name : Mr. Nandkishore Goenka
- Nationality : Indian
- Date of Birth: November 09, 1961
- Date of re-appointment as Vice Chairman and Managing Director : October 21, 2013.
- Experience : Mr. Goel has been associated with the Company since 1984. Mr. Goel has rich and varied experience in the Industry. His efforts have helped the Company grow manifold and become leader in its product range. He also serves on the Board of other Companies and Trade Associations.

**2. Past Remuneration:** Details of the remuneration paid to Mr. Goel in previous three financial years

Sr. No.	Year		Remuneration (Rs.)
	From	To	
1	01.04.2013	31.03.2014	37,933,767
2	01.04.2012	31.03.2013	*30,725,600
3	01.04.2011	31.03.2012	*31,190,000

\* No Variable pay was awarded.

**3. Recognition or awards:** In July 2005, the renowned publication 'The Smart Manager', after in-depth research spread over three years, rated Mr. Ashok Goel as 'one of the 25 truly world class managers' from India.



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

Job Profile: Responsible for the overall management and control of the whole of the affairs of the Company with substantial powers of management under the supervision, superintendence, control and direction of the Board of Directors.

Suitability: Mr. Ashok Goel, Vice Chairman and Managing Director has been associated with the Company since its inception. Mr. Goel has rich and varied experience in the Industry. He has been instrumental in its exponential growth and expansion of the Company over the years and his efforts have brought the Company to its present size. EsseL Propack Limited today has a presence across the globe with 25 plants world-wide. Mr. Goel with his experience, expertise and knowledge has enabled the Company to grow and reward the shareholders at all times even in the adverse economic conditions.

**5. Remuneration proposed:** The terms of remuneration are detailed in Explanatory Statement item No. 3 hereinabove.

**6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and the person:** The remuneration proposed is reasonable in the context of global operations & complexity of business of the Company and commensurate with the similar industry (manufacturing), operating in India and the profile of the position.

**7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:** Mr. Ashok Goel is related to Mr. Subhash Chandra Non- Executive Chairman of the Company and Mr. Atul Goel, Director of the Company.

**III. Other information**

**1. Reason for loss/ inadequacy of profits:**

The profits of the Company have increased over the years. For the year ended 31st March, 2014, the Company has made Profit before tax of Rs. 756,349,187 and Profit after tax of Rs.544,892,636. The proposed remuneration payable to the Managing Director may exceed the limit prescribed under Section 197 of the Companies Act, 2013 and profits of the Company may be inadequate to such extent.

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

During the year the Company has leveraged its world class capability for decoration and new product development to drive a strong growth in the cosmetic category, offering packaging solutions with both laminated and plastic tubes. The Company has completed the expansion of capacity for laminated tubes and the new capacity has been significantly ramped up. In a year marked by high interest rates, the finance cost has been reduced compared to the previous year by active management of debt portfolio.

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

The Company's tight control on costs, higher asset productivity and sales growth is expected to improve the profit before depreciation, interest and tax over the years.

**By order of the Board of Directors  
EsseL Propack Limited**

Ajay N. Thakkar  
Company Secretary & Head- Legal

Mumbai, 22 December, 2014

**Registered office**

P. O Vasind, Tal: Shahapur,  
Dist. Thane, Maharashtra – 421 604



# ESSEL PROPACK LIMITED

Regd. Off. : P.O. Vasind, Tal. Shahapur, Dist. Thane, Maharashtra - 421 604, India.

Phone: 91-22-24819000/9200, Fax: +91-22-24963137 Website: www.esselpropack.com

Email: investor.grievance@ep.esselgroup.com, Corporate Identity Number: L74950MH1982PLC028947

## POSTAL BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Serial No.

1. Name(s) & Registered Address of the sole / :  
first named Member

2. Name(s) of the Joint-Holder(s), if any :

3. Registered Folio No./\*CLID No. & Client ID No. :  
[\*Applicable to Members holding shares in dematerialized form]

4. Number of Share(s) held :

5. E-Voting Event Number (EVEN) :

6. User-ID :

7. Password/PIN :

I / We hereby exercise my / our vote in respect of the following resolutions to be passed through Postal Ballot / E-voting, for the business stated in the Postal Ballot Notice dated 22/12/ 2014 by conveying my / our assent or dissent to the resolution(s) by placing tick (✓) mark in the appropriate box below:

Sr. No.	Description of the Resolution	No. of Shares	I / We assent to the Resolution (FOR)	I/We dissent to the resolution (AGAINST)
1	To approve "Essel Employee Stock Option Scheme 2014".			
2	To approve "Essel Employee Stock Option Scheme 2014" for subsidiaries.			
3	Payment of remuneration to Mr. Ashok Goel as Vice Chairman & Managing Director of the Company.			

Place :

\_\_\_\_\_  
Signature of the Member or Authorized Representative

Date :

Notes:

- (i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
- (ii) Last date for receipt of Postal Ballot Form: January 27, 2015 (5:00 pm).
- (iii) Please read the instructions printed overleaf carefully before exercising your vote.

## INSTRUCTIONS

1. Members have option to vote either through Postal Ballot Form or through e-voting. If a member has opted for Physical Postal Ballot, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through both physical postal ballot and e-voting, then vote cast through physical postal ballot shall be considered and vote cast through e-voting shall be treated as invalid.
2. The notice of Postal Ballot/ E-voting is dispatched/e-mailed to the members whose names appear on the Register of Members as on Friday, December 19, 2014 (Cut Off Date) and voting rights shall be reckoned on the paid up value of the shares registered in the name of the members as on the said date.
3. Voting in the Postal ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorized representatives with proof of their authorization, as stated below.

The instructions for voting are as under:

### A) PHYSICAL POSTAL BALLOT FORM

- 1) A member desirous of exercising vote by physical Postal Ballot should complete the Postal Ballot Form in all respects and send the duly completed and signed Form to the Scrutinizer in the attached self-addressed envelope on which postage will be paid by the Company, which shall be properly sealed with adhesive or adhesive tape. However, envelopes containing Postal Ballot Form, if sent by courier, at the expense of the Member will also be accepted. Members are requested to convey their assent or dissent in this Postal Ballot Form only. The assent or dissent received in any other form or manner shall be considered as invalid.
- 2) The self-addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company and the address to which the same needs to be dispatched.
- 3) The Postal Ballot Form should be signed by the member as per specimen signature registered with the Registrar / Depository. In case the Equity Shares are jointly held, this Form should be completed and signed (as per specimen signature registered with Registrar/Depository) by the first named Member and in his / her absence, by the next named Member. Holders of Power of Attorney (POA) on behalf of the Members may vote on the Postal Ballot mentioning the registration number of the POA or enclosing an attested copy of the POA. Unsigned Postal Ballot Forms will be rejected.
- 4) Duly completed Postal Ballot Form should reach the Scrutinizer not later than 5:00 p.m. on January 27, 2015. Postal Ballot Form received after that date will be strictly treated as if reply from such Member has not been received. The Members are requested to send the duly completed Postal Ballot Form well before the last date providing sufficient time for the postal transit.
- 5) In case of Equity Shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of Board Resolution/authority and preferably with attested specimen signature(s) of the duly authorized signatories giving requisite authorities to the person voting on the Postal Ballot Form.
- 6) Members are requested not to send any paper (other than the Resolution/ authority as mentioned under instruction above) along with the Postal Ballot Form in the enclosed self- addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
- 7) There will be only one Postal Ballot Form for every folio / client ID irrespective of the number of the joint Members. On receipt of the duplicate Postal Ballot Form, the original will be rejected.
- 8) A Member may request for a duplicate Postal Ballot Form, if so required or can download the Postal Ballot Form from the Company's website ([www.esselpropack.com](http://www.esselpropack.com)) and the duly completed Postal Ballot Form should reach the Scrutinizer not later than the last date for voting mentioned above.
- 9) The votes should be cast either in favour of or against by putting the tick (✓) mark in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the columns will render the Form invalid.
- 10) Incomplete, unsigned or improperly or incorrectly filled Postal Ballot Form shall be rejected.

### B) E-VOTING

- 1) The Company has engaged National Securities Depository Limited ("NSDL"), to provide e-Voting facility to its Members.
- 2) The voting time ends at 5:00 p.m. on January 27, 2015. The e-Voting module shall be disabled by NSDL for voting thereafter.
- 3) User ID and password are provided at the bottom of Postal Ballot Form.
- 4) The following are the steps to be followed for e-Voting:
  - (i) Open e-mail and open PDF file viz. [EPLPostalBallotDec2014](#) with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - (ii) Launch the internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password mentioned in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of Essel Propack Limited.
  - (viii) Now you are ready for e-Voting as the Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer, Mr. Dharmesh Zaveri of D.M. Zaveri & Co., Practising Company Secretary, on his e-mail id: [info@dmzaveri.com](mailto:info@dmzaveri.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 5) In case of members receiving e-voting password by post:
  - (i) User ID and initial password is provided at the bottom of the Postal Ballot Form.
  - (ii) Please follow all steps from Sr. No. 4 (ii) to (xii) above, to cast your vote.
- (6) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for Login to cast your vote.
- (7) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) for members and e-voting user manual for members available at the Downloads section of NSDL's E-Voting website: [www.evoting.nsdl.com](http://www.evoting.nsdl.com). You can also send your queries/ grievances relating to e-voting to the e-mail ID:-[www.esselpropack.com](mailto:www.esselpropack.com)
- (8) The period for e-voting starts on December 29, 2014 and ends on January 27, 2015. E-voting shall be disabled by NSDL on January 27, 2015 at 5:00 p.m.