

Date: 10<sup>th</sup> August, 2017

<b>BSE Limited</b> Department of Corporate services Phirojee Jeejeebhoy Towers Dalal Street, Mumbai – 400023	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot no. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
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Dear Sir,

**Subject : Notice of 31<sup>st</sup> Annual General Meeting**

In continuation to our earlier communications regarding Annual General Meeting to be held on 4<sup>th</sup> September, 2017, we have enclosed copy of the Notice of 31<sup>st</sup> Annual General Meeting and the same has been dispatched to the shareholders in due course of time.

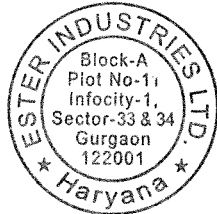
Kindly take the above information on your record and acknowledge the receipt.

Thanking You

Yours Faithfully  
For **Ester Industries Limited**



**Diwaker Dinesh**  
**Company Secretary**



**Encls: As above**



CIN: L24111UR1985PLC015063

Registered Office: Sohan Nagar, P. O. Charubeta, Khatima-262308, Distt. Udham Singh Nagar, Uttarakhand

Phone : (05943) 250153-57, Fax No. (05943) 250158

Website – www.esterindustries.com, Email – investor@ester.in

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 31<sup>st</sup> ANNUAL GENERAL MEETING (AGM) of ESTER INDUSTRIES LIMITED will be held on Monday, 4<sup>th</sup> September, 2017 at 10:30 AM at the Registered Office of the Company at Sohan Nagar, P.O. Charubeta, Khatima - 262308, District Udham Singh Nagar, Uttarakhand, to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2017 and the Profit and Loss account for the year ended on that date together with the reports of Directors and Auditors thereon
2. To appoint a Director in place of Mr. Arvind Singhania (DIN 00934017) who retires by rotation and being eligible, offers himself for re-appointment;
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointment of new Statutory Auditors in place of retiring Auditors:-

“RESOLVED THAT subject to the provisions of Section 139, 140 & 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Walker Chandiook & Co LLP (Registration No. 001076N/N500013), Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of 5 years i.e. from the conclusion of this Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) in place of the retiring Auditors, M/s. S. R. Batliboi & Co. LLP (Regn. No. 301003E/E300005), at a remuneration to be fixed by the Board of Directors.”

**Special Business:** To consider and, if thought fit, to pass with or without modification(s) the following resolutions:

### As Ordinary Resolution

4. **RATIFICATION OF REMUNERATION FIXED FOR COST AUDITOR OF THE COMPANY**

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force) a Remuneration of Rs. 3,00,000/- (Rupees Three Lacs Only) plus applicable taxes and out of pocket expenses payable to M/s. R. J. Goel & Co. (Regn. No. 00026), the Cost Auditor of the Company for the financial year 2017-18, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby approved and ratified.”

5. **COMMISSION ON PROFITS TO NON-EXECUTIVE DIRECTOR OF THE COMPANY**

“RESOLVED THAT pursuant to Section 197, 198 and all other applicable provisions and rules made thereunder, if any, of the Companies Act, 2013 (“the Act”) and Regulation 17(6) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the shareholders be and is hereby accorded for the payment of commission to the Non-Executive Directors upto the maximum limit of 1% of net profits computed in the manner specified in the Act for a period of five years from the Financial Year commencing 1st April, 2018, in such manner and upto such extent as the Board of Directors may, time to time, determine.

**RESOLVED FURTHER THAT**, the Board of Directors be and is hereby authorised to sign and execute such documents/ deeds/ writings or other papers as may be necessary and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable, expedient or incidental for the purpose and to settle any question, difficulty or doubt that may arise in giving effect to this resolution.”

### As Special Resolution

6. **RE-APPOINTMENT OF MR. ARVIND SINGHANIA AS MANAGING DIRECTOR OF THE COMPANY**

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), subject to the approval of the Central Government, if required, Mr. Arvind Singhania (DIN 00934017) be and is hereby re-appointed as “Managing Director” and designated as “Chairman and CEO”, on the terms and conditions mentioned below–

#### A) PERIOD OF RE-APPOINTMENT

From 1st April, 2017 to 31st March, 2020.

#### B) DETAILS OF REMUNERATION

1. Basic Salary – Rs. 6,66,667/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 12,00,000/- per month
2. House Rent Allowance – Rs. 3,33,334/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 6,00,000/- per month
3. Special Allowance –Rs. 1,00,000/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs 6,00,000/- per month
4. Leave Travel Allowance – Rs. 6,66,600/- per year with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 12,00,000/- per year

5. Medical Reimbursement – Rs. 1250/- per month
6. Provident Fund – 12% of Basic Salary or such other amount as may be prescribed by the provision of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 or any other applicable law (including any statutory modification or re-enactment thereof, for the time being in force).
7. Gratuity shall be payable as per the provisions of the Payment of Gratuity Act, 1972 or any other applicable law (including any statutory modification or re-enactment thereof, for the time being in force).
8. Company maintained car with Driver shall be provided by the Company for official and personal use.
9. Reimbursement for expenses pertaining to Business attire, Business Meeting and entertainment, traveling and all other expenses incurred by him for the business of the Company as per the policy of the Company
10. Apart from the above Mr. Arvind Singhania shall be entitled such other reimbursements, allowances, incentives, perquisites, amenities and benefits as per the policy of the Company as applicable on employees of the Company from time to time or any other allowance, perquisites as the Board may, from time to time, decide.

The perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

**Commission** – Subject to the provisions of Section 196, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), Commission may be paid in addition to above remuneration calculated with reference to the net profits of the company in a particular year, as may be determined by the Board of the Directors of the Company at the end of each financial year

**Overall Remuneration** - The aggregate of the remuneration, commission and perquisites as aforesaid in any financial year shall not exceed the limit prescribed from time to time under Section 196, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) or otherwise as may be permissible by law.

**Sitting Fees** - Mr. Arvind Singhania shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Directors.

**Retirement by Rotation** - The period of office of Mr. Arvind Singhania shall be liable for determination by way of retirement by rotation.

**RESOLVED FURTHER THAT** if Company has no profits or its profits are inadequate in any financial year, the remuneration will be paid to Mr. Arvind Singhania subject to the requirements and remuneration limits as prescribed in Schedule V and other

applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, if required.

**RESOLVED FURTHER THAT** subject to the limit prescribed above, Board of Directors may from time to time, increase remuneration of Mr. Arvind Singhania and review, alter or vary designation, component and structure of the remuneration and other terms and conditions of his appointment, as mutually agreed with Mr. Arvind Singhania, without the approval of the shareholders of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign such documents or papers as may be necessary, file such applications, forms and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable to give effect to the above resolutions.”

**7. RE-APPOINTMENT OF MR. PRADEEP KUMAR RUSTAGI AS WHOLE-TIME DIRECTOR OF THE COMPANY**

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), subject to the approval of Central Government, if required, Mr. Pradeep Kumar Rustagi (DIN 00879345) be and is hereby re-appointed as “Whole-time Director” and designated as “Executive Director & CFO” , on the terms and conditions mentioned below–

**A) PERIOD OF RE-APPOINTMENT**

From 1st April, 2017 to 31st March, 2020.

**B) DETAILS OF REMUNERATION**

1. Basic Salary – Rs 3,33,500/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 5,00,000/- per month
2. House Rent Allowance – Rs. 1,66,750/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 2,50,000/- per month
3. Special Allowance –Rs. 2,19,480/- per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs 4,00,000/- per month
4. Leave Travel Allowance – Rs. 1,50,000/- per year with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 5,00,000/- per year
5. Medical Reimbursement – Rs. 1250/- per month
6. Encashment of leave as per the policy of the Company.
7. Company's contribution to Provident Fund, Superannuation Fund, as per Company Policy applicable time to time.
8. Gratuity shall be payable as per the provisions of the Payment of Gratuity Act, 1972 or any other applicable law (including any statutory modification or re-enactment thereof, for the time being in force).
9. Reimbursement for expenses pertaining to Business attire, Business Meeting and entertainment, traveling and all other expenses incurred by him for the business of the Company as per the policy of the Company

10. Company maintained car with Driver shall be provided by the Company for official and personal use.
11. Performance Linked Incentives as per the policy of the Company as applicable time to time.
12. Apart from the above Mr. Pradeep Kumar Rustagi shall be entitled to such other reimbursements, allowances, incentives, perquisites, amenities and benefits as per the policy of the Company as applicable on employees of the Company from time to time or any other allowance, perquisites as the Board may, from time to time, decide.

**Sitting Fees** - Mr. Pradeep Kumar Rustagi shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Directors.

**Retirement by Rotations** - The period of office of Mr. Pradeep Kumar Rustagi shall be liable to be determined by retirement by rotation.

**Overall Remuneration** - The aggregate of the remuneration, commission and perquisites as aforesaid in any financial year shall not exceed the limit prescribed from time to time under Section 196, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) or otherwise as may be permissible by law.

**RESOLVED FURTHER THAT** if Company has no profits or its profits are inadequate in any financial year, the remuneration will be paid to Mr. Pradeep Kumar Rustagi subject to the requirements and remuneration limits as prescribed in Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, if required.

**RESOLVED FURTHER THAT** subject to the limit prescribed above, Board of Directors may from time to time, increase remuneration of Mr. Pradeep Kumar Rustagi and review, alter or vary designation, component and structure of the remuneration and other terms and conditions of his appointment, as mutually agreed with Mr. Pradeep Kumar Rustagi, without the approval of the shareholders of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to sign such documents or papers as may be necessary, file such applications, forms and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable to give effect to the above resolutions."

**By Order of the Board of Directors  
For Ester Industries Limited**  
Sd/-  
**Diwaker Dinesh**  
**Company Secretary**  
**(Membership No.: A22282)**

Place : New Delhi  
Date : 2<sup>nd</sup> June, 2017

## NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE (ON A POLL ONLY) ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT SOHAN NAGAR, P.O. CHARUBETA, KHATIMA-262308, DISTRICT UDHAM SINGH NAGAR, UTTARAKHAND NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

2. Additional information pursuant to SEBI (LODR) Regulations, 2015 in respect of the Directors seeking appointment/reappointment as mentioned under item no. 2, 6 and 7 at the annual general meeting forms part of this Notice.
3. The Register of Member and Share Transfer Books will remain closed from Tuesday, 29<sup>th</sup> August, 2017 to Monday, 4<sup>th</sup> September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
4. A route map showing directions to reach the venue of the Annual General Meeting forms part of this Notice.
5. The Board of Directors has not recommended any Dividend for the financial year 2016-17.
6. In case of Joint holders attending the meeting, only such Joint holder who is higher in the order of names will be entitled to vote.
7. Corporate Members intending to send their Authorized Representative to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Members are requested to notify immediately:
  - I. **In case shares are held in physical form:** any change in address, if any, to the Company at Plot No.11, Block-A, Infocity-I, Sector 34, Gurgaon – 122001, India or to the Registrar and Share Transfer Agent of the Company viz. MAS Services Limited, T-34, Okhla Industrial Area, Phase II, New Delhi- 110 020 quoting their folio number.
  - II. **In case shares are held in dematerialised form:** any change in address, if any, to their Depository Participants
9. Members/Proxies should bring Annual Report along with the attendance slip duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
10. Members desiring any information on the accounts are required to write to the Company at Plot No.11, Block-A, Infocity-I, Sector 34, Gurgaon – 122001, India at least 7 days before the Meeting

so as to enable the management to keep the information ready. Replies will be provided only at the Meeting.

11. All the documents referred to in the accompanying Notice are open for inspection in physical or electronic form at Registered Office of the Company and copies of these documents will also be available for inspection at the Head Office (Corporate Office) in physical or electronic form, during normal business hours on all the working days except Saturday up-to the date of the Annual General Meeting. Such documents will be available for inspection during the meeting also.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. Pursuant to Section 101 of the Companies Act, 2013 and rules made there under, the companies are allowed to send communication to shareholders electronically. We therefore, request you to kindly register/update your email ids with your respective depository participant and Company's registrar and share transfer agent (in case of physical shares).
14. Electronic copy of the Notice of the 31<sup>st</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Annual Report is being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 31<sup>st</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of e- voting along with Annual Report is being sent through the permitted mode.
15. Members may also note that the Notice of the 31<sup>st</sup> Annual General Meeting and the Annual Report for the financial year ended on 31.03.2017 will also be available on the Company's website [www.esterindustries.com](http://www.esterindustries.com) for their download. Even after registering for e- communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investor@ester.in](mailto:investor@ester.in).
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / MAS Services Limited (Registrar & Share Transfer Agent).
17. As per SEBI Circular dated March 21, 2013 it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/ update your correct bank account details with the Company/RTA/Depository Participant, as the case may be.
18. Pursuant to provisions of Section 125 of the Companies Act, 2013 (erstwhile section 205C of the Companies Act, 1956) the amount of dividends remaining unclaimed and unpaid for a period of

seven years from the date it is lying in the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Company has transferred such unpaid or unclaimed dividends from time to time on due dates, to IEPF.

The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 24<sup>th</sup> September, 2016 (date of last Annual General Meeting) on the website of the Company viz. [www.esterindustries.com](http://www.esterindustries.com) and also on the website of the Ministry of Corporate Affairs viz. [www.iepf.gov.in](http://www.iepf.gov.in)

In terms of Section 124 of the Companies Act, 2013 and IEPF rules related thereto, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF. The shareholders whose amounts and shares would be transferred to IEPF as above, would be entitled to get refund of the dividend and claim the transfer of shares from IEPF after complying with the prescribed procedure under the Companies Act, 2013.

#### 19. VOTING THROUGH ELECTRONIC MEANS

Commencement of E-voting	9:00 AM, Friday, 1 <sup>st</sup> September, 2017
End of E-voting	5:00 PM, Sunday, 3 <sup>rd</sup> September, 2017

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 31<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper/venue e-voting shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper/venue e-voting.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the Annual General Meeting.
- IV. The remote e-voting period commences on **9.00 AM, Friday, 1<sup>st</sup> September, 2017 and ends on 5.00 PM, Sunday, 3<sup>rd</sup> September, 2017**. The remote e-voting module shall be blocked by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on **Monday, 28<sup>th</sup> August, 2017(Cutoff 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 or voting through ballot paper/venue e-voting at the AGM. Any person, who acquires shares of the Company and

become Member of the Company after dispatch of the Notice and holding shares as on the cutoff date i.e. Monday, 28<sup>th</sup> August, 2017, may follow the same instructions as mentioned in the notice for e-Voting. If a person who was not a member of the Company as on the cut-off date shall treat this Notice for information purpose only.

VI. The process and manner for remote e-voting are as under:

**(A) The instructions for members for voting electronically are as under:-**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on Shareholders/Members.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user or holding share in physical form follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  *Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field which is printed on the Attendance slip or as provided in email, if Annual Report sent through electronic mode.
Dividend Bank Details OR Date of Birth (DOB)#	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  #If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (x) Click on the EVSN of Ester Industries Limited.
  - (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xvi) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xvii) Shareholders can also cast their vote using CDSL's mobile app M-Voting. The M-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xviii) **Note for Non – Individual Shareholders and Custodians**  
Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (B)** In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or contact Mr. Rakesh Dalvi, Deputy Manager of CDSL, 16th Floor, P.J. Towers, Dalal Street, Mumbai-400001, Ph.: 18002005533, write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 20.** Mr. Akash Jain, Company Secretary in Practice (Membership No. 22735 and COP No. 9432) has been appointed as the Scrutinizer

to scrutinize the e-voting and poll process in a fair and transparent manner.

21. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of poll paper/venue e-voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
22. The Scrutinizer shall immediately after the conclusion of voting at the AGM will count the votes casted at the meeting and thereafter unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and submit not later than 3 days of conclusion of AGM, a consolidated Scrutinizer's Report of the total votes casted in favour or against, if any, to the Chairman or a person/ a director authorized by him/the Board in writing who shall countersign the same and declare the results of the voting forthwith.
23. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.esterindustries.com](http://www.esterindustries.com) and on the website of CDSL e-voting viz [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of results by the Chairman or a person/ a director authorized by him/the Board. The Results shall also be simultaneously forwarded to the concerned stock exchanges. The result of the voting, with details of the number of votes cast for and against the Resolution, invalid votes and whether the Resolution has been carried or not shall also be displayed on the Notice Board of the company at its Registered Office and its Head Office.
24. The Resolution, if passed by a requisite majority, shall be deemed to have been passed on the date of the Annual General Meeting.
25. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the Registered office address or Head Office address or e-mail their grievances/queries to the Company Secretary as detailed below:

**Registered Office:**

Sohan Nagar, PO Charubeta, Khatima-262308  
Distt. Udham Singh Nagar, Uttarakhand

**Head Office:**

Plot No. 11, Block-A, Infocity-I, Sector 34,  
Gurgaon – 122001  
Email Id: [investor@ester.in](mailto:investor@ester.in)

**DETAILS OF DIRECTORS SEEKING REAPPOINTMENT IN TERMS OF REGULATION 36 OF THE SEBI (LODR) REGULATIONS, 2015**

**MR. ARVIND SINGHANIA**

Mr. Arvind Singhania, aged about 53 years, is commerce graduate. Mr. Singhania was first introduced to the Board on 20<sup>th</sup> November, 1987 as Whole-time Director.

Mr. Arvind Singhania has approx. 30 years of rich and varied operations experience including production, supply chain, finance and people management. Mr. Arvind's vision and passion have been integral to Ester's success, building the company from a small start up to one of India's leading, most recognized polyester film manufacturing company. Arvind has been associated with the company since its inception. Under his tutelage, Ester has undertaken and seen tremendous success with its various expansion and modernization initiatives.

During the year he attended the Board Meeting held on 25<sup>th</sup> May, 2016, 10<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016 and 7<sup>th</sup> February, 2017.

Directorship of Mr. Arvind Singhania in other Companies as on 31st March, 2017 are as follows:

S. No.	Name of the Company
1	Fenton Investments Private Limited
2	Rekha Finance and Investment Private Limited
3	ACME Investments Limited (Unlisted Co.)

He is not holding any memberships of committees of any other Company. He holds 150 equity shares in the Company.

The terms and conditions of the appointment has been made part of the resolution proposed under item No. 6. Last drawn remuneration of Mr. Singhania has been stated in Corporate Governance Report which forms the part of the Annual Report.

None of the Directors has inter-se relationship except Mr. Arvind Singhania himself and his wife Mrs. Archana Singhania.

**MR. PRADEEP KUMAR RUSTAGI**

Mr. Pradeep Kumar Rustagi, aged about 56 years, is qualified Chartered Accountant from The Institute of Chartered accountants of India. Mr. Rustagi was first introduced to the Board on 14<sup>th</sup> Feb, 2011 as a Whole-time Director.

Mr. Pradeep serves as an Executive Director & Chief Financial Officer (CFO) of Ester and oversees the finance and accounting department. Pradeep has about 27 years of experience with leadership roles in financial planning, accounts, budgeting & MIS, liaison with banks & financial institutions, statutory compliance and excise. As CFO, Mr. Pradeep is responsible for Ester's financial operations and investor relations.

During the year he attended the Board Meeting held on 25<sup>th</sup> May, 2016, 10<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016 and 7<sup>th</sup> February, 2017.

Directorship of Mr. Pradeep Kumar Rustagi in other Companies as on 31st March, 2017 are as follows:

S. No.	Name of the Company
1	Fenton Investments Private Limited
2	Rekha Finance and Investment Private Limited
3	PDJ Properties and Investment Services Private Limited

He is not holding any memberships of committees of any other Company. He holds 400 equity shares in the Company

The terms and conditions of the appointment has been made part of the resolution proposed under item No. 7. Last drawn remuneration of Mr. Rustagi has been stated in Corporate Governance Report which forms the part of the Annual Report.

None of the Directors has inter-se relationship except Mr. Arvind Singhania & his wife Mrs. Archana Singhania.

**NOTE ON APPOINTMENT OF M/S. WALKER CHANDIOK & CO LLP (REGISTRATION NO. 001076N/N500013), CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS OF THE COMPANY (ITEM NO. 4)**

Pursuant to the requirement of mandatory rotation of auditors in terms of provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of M/s S.R. Batliboi & Co. LLP, as the Statutory Auditors of the Company will conclude from

the close of ensuing Annual General Meeting of the Company.

The Audit Committee and Board of Directors of the Company have recommended the appointment of Messrs Walker Chandio & Co LLP, Chartered Accountants (ICAI Firm Registration Number 001076N/ N500013) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 for a period of 5 (Five) years from the conclusion of this Annual General Meeting till the conclusion of the Thirty Sixth AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM).

M/s. Walker Chandio & Co LLP has expressed its willingness to act as statutory auditors of the Company, if appointed, and have further confirmed that the said appointment would be in conformity with the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013.

Accordingly approval of the members of the Company is being sought for the appointment of M/s. Walker Chandio & Co LLP as the statutory auditors and for authorisation to the Board of Directors to determine the remuneration payable to them. None of the Directors, Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs is concerned or interested in the said resolution.

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

Sd/-

**Diwaker Dinesh**

**Company Secretary**

**(Membership No.: A22282)**

Place : New Delhi

Date : 2<sup>nd</sup> June, 2017

#### **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 4**

In the Board Meeting held on 2<sup>nd</sup> June, 2017, after considering the recommendation of the Audit Committee, the Directors have re-appointed M/s. R J Goel & Co. (Regn. No. 00026), Cost Accountants, as the Cost Auditor of the Company for the financial year 2017-18 at a remuneration of Rs. 3,00,000 (Rupees Three Lacs only). Pursuant to the provisions of Section 148 read with the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration approved by the Board of Directors is required to be ratified by the Shareholders. The Ordinary Resolution appearing in the Notice is sought to be passed for this purpose.

None of the Directors, Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs is interested or concerned in the said Resolution.

##### **Item No. 5**

In the Annual General Meeting held on 28<sup>th</sup> September, 2012, as per the requirements of the erstwhile Listing Agreement and Section 309 of the Companies Act, 1956, the shareholders had approved to pay commission on profits within the limit as specified under the provisions of Section 309 of the Companies Act, 1956, to Non-Executive Directors of the Company for a period of 5 years commencing from 1<sup>st</sup> April, 2013 in such manner and upto such extent as decided by Nomination and Remuneration Committee every year.

In terms of Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all fees/compensation

(except sitting fees) can be paid to non-executive only with the prior approval of the shareholders in general meeting.

The Board of Directors is of the opinion that, in order to remunerate the Non-Executive Directors of the Company for the responsibilities entrusted upon them and according to the current trends and the contribution made by them, Commission should be paid to the Non-Executive Directors of the Company, as and when decided by the Board of Directors.

Since the said approval for payment of commission to Non-Executive Directors was valid upto the period ending on 31<sup>st</sup> March, 2018, it is proposed to renew the approval to pay commission upto the maximum limit of 1% for further period of five (5) years.

Your Directors recommend the approval of proposed Ordinary Resolution by the Members.

All Non-Executive Directors of the Company namely, Mr. Ashok Newatia, Mr. Sandeep Dinodia, Mr. Dinesh Chandra Kothari, Mr. M S Ramachandran, Dr. Anand Chand Burman, Mr. P S Dasgupta and Mrs. Archana Singhania are concerned or interested in the Resolution.

##### **Item No. 6**

Mr. Arvind Singhania was appointed as Whole-time Director (designated as Executive Chairman) of the Company from 21<sup>st</sup> May, 2014 to 31<sup>st</sup> March, 2017 by resolution of Nomination & Remuneration Committee and Board of Directors in their meeting held on 21<sup>st</sup> May, 2014. W.e.f. 11<sup>th</sup> February, 2015, he was appointed as Managing Director (designated as "Chairman & CEO") till the end of his tenure i.e. 31<sup>st</sup> March, 2017, by resolution passed in the Nomination & Remuneration Committee Meeting and Board of Directors Meeting held on 11<sup>th</sup> February, 2015.

The appointment as Managing Director was approved by the shareholders vide special resolution passed through Postal Ballot on 20<sup>th</sup> May, 2015.

The tenure of office of Mr. Arvind Singhania was expired on 31<sup>st</sup> March, 2017. It was approved by the Board subject to the approval of the shareholders to re-appoint him for another period of 3 years, on recommendation by the Nomination and Remuneration Committee.

The Special Resolution appearing in the Notice is sought to be passed for this purpose.

None of the Directors except Mr. Arvind Singhania himself and Mrs. Archana Singhania (wife of Mr. Arvind Singhania), Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs is interested or concerned in the said Resolution.

##### **Item No. 7**

Mr. Pradeep Kumar Rustagi was appointed as Whole-time Director of the Company from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2017 by Board of Directors and Nomination & Remuneration Committee.

The tenure of office of Mr. Pradeep Kumar Rustagi was expired on 31<sup>st</sup> March, 2017. It was approved by the Board subject to the approval of the shareholders to re-appoint him for another period of 3 years, on recommendation by the Nomination and Remuneration Committee.

The Special Resolution appearing in the Notice is sought to be passed for this purpose.

None of the Directors except Mr. Pradeep Kumar Rustagi himself, Key Managerial Personnel (KMPs) or the relatives of Directors or KMPs is interested or concerned in the said Resolution.



Statement containing required information as per Section II of part II of Schedule V of the Companies Act, 2013 for Item No. 6 and 7

**I. GENERAL INFORMATION:**

i) Nature of Industry	Manufacturer of Polyester Chips, Specialty Polymer, Polyester Film and Engineering Plastics
ii) Date of commencement of commercial production	1st July, 1988 and various expansions thereafter
iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable

**(iv) Financial performance based on given indicators (Rs. in lacs)**

Particulars	2014-15	2015-16	2016-17
Net Sales (Less Excise Duty)	89626.76	77081.96	70689.58
Other Income	293.85	482.16	394.13
Total Income	89920.61	77564.12	71083.71
Expenditure	82512.84	70043.17	66466.94
Depreciation and amortization expenses	3210.58	3236.25	2952.78
Finance Cost	3709.55	3601.43	3302.78
Profit/ (Loss) before tax	487.64	683.27	(1638.79)
Provision for taxation (including Deferred Tax)	103.73	227.21	544.15
Profit/ (Loss) after tax	383.91	456.06	(1094.64)

**(v) Foreign investments or collaborators, if any:**

Presently as on 31st March, 2017, the Company has following foreign investments in the Company -  
Promoter Category (Foreign) – 58.78%  
Public Category (Foreign) – 18.70%  
The Company has no foreign collaboration.

**II. INFORMATION ABOUT MR. ARVIND SINGHANIA AND MR. PRADEEP KUMAR RUSTAGI**

**1) Background Details, Recognition or Awards**

**Arvind Singhania**

Mr. Arvind Singhania is the promoter of the company. In the past also he has managed affairs of the company as Chairman and Managing Director of the Company.

His vision and passion have been integral to Ester's success, building the company from a small start up to one of India's leading, most recognized polyester film manufacturing company. Mr. Arvind Singhania has been associated with the company since its inception. He has about 30 years of rich and varied operations experience including production, supply chain, finance and people management. Under his tutelage, Ester has undertaken and seen tremendous success with its various expansion and modernization initiatives.

**Pradeep Kumar Rustagi**

Mr. Pradeep Kumar Rustagi serves as Executive Director & Chief

Financial Officer (CFO) of Ester and oversees the finance and accounting department. Mr. Pradeep has about 27 years of experience with leadership roles in financial planning, accounts, taxation, budgeting & MIS, liaison with banks & financial institutions, statutory compliance and excise.

As CFO, Mr. Pradeep is responsible for Ester's financial operations and investor relations.

Mr. Pradeep Kumar Rustagi is a qualified Chartered Accountant from The Institute of Chartered accountants of India.

**2) PAST REMUNERATION**

Details of Remuneration paid to Mr. Arvind Singhania and Mr. Pradeep Kumar Rustagi in 2016-17 are as below –

Name of Director	Salary	Allowances & Perquisites	PF & SAF	Total
Mr. Arvind Singhania	80,00,004	44,43,836	9,60,000	1,34,03,840
Mr. Pradeep Kumar Rustagi	32,88,000	38,28,576	4,94,560	76,11,136

**3) Job Profile and his Suitability**

**Mr. Arvind Singhania**

Mr. Arvind Singhania is the promoter director of the company. His vision and passion have been integral to Ester's success, building the company from a small start up to one of India's leading, most recognized polyester film manufacturing company. In the Company he has been entrusted with substantial powers of the management of the business and affairs of the Company. The Company has made enormous growth in his leadership. Taking into account his past experience, managerial & leadership skills, knowledge about the operations of the company etc. he is a fit & proper person for this position.

**Mr. Pradeep Kumar Rustagi**

Mr. Pradeep Kumar Rustagi manages and is in-charge of all the affairs relating to finance, accounts, raw material purchase, taxation etc. He also plays pivotal role in Strategy Planning and establishment of new Projects of company.

As Executive Director & CFO of the Company he is responsible for the management of the Company, subject to the superintendence, guidance and control of the Board of Directors of the Company. Taking into account his previous experience, educational background, knowledge about the industry and the nature and size of operations of the Company, he is a fit and proper person for this position.

**4) Remuneration Proposed:**

The remuneration proposed for both the Directors is detailed in the resolution under Item No.6 & 7.

**5) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person**

The proposed remuneration would be commensurate with the size of the Company and nature of the industry. The salary structure of the managerial personnel has undergone a major change in the industry in the recent past. Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Mr. Arvind Singhania and Mr. Pradeep Kumar Rustagi, the proposed remuneration is competitive with the remuneration paid by other companies to such similar positions in the same industry

**6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.**

Mr. Arvind Singhania is a Promoter Director of the Company and holds 150 shares in his individual capacity. Apart from receiving remuneration and dividend, he does not receive any emoluments from the Company and is also not related to any managerial personnel of the Company. Mrs. Archana Singhania, wife of Mr. Arvind Singhania is the Non-Executive Director of the Company.

Mr. Pradeep Kumar Rustagi is employee Director of the Company and holds 400 shares in his individual capacity. Apart from receiving remuneration and dividend, he does not receive any emoluments from the Company and is also not related to any managerial personnel of the Company.

**III. OTHER INFORMATION:**

**1) Reasons of loss or inadequate profit**

- Significant expansions worldwide in Polyester Film business in India during 2015-16 & 2016-17 has caused skewed demand supply balance with supply exceeding the demand. This has put pressure on the margins in Polyester Film SBU
- Delay in ramping up sales volume of Specialty Polymers products has adversely affected both sales and profitability of Specialty Polymers SBU

**2) Steps taken or proposed to be taken for improvement and expected increase in productivity and profit in measurable terms.**

- Annual growth in demand of 10% - 12% and 6% - 6.5% in domestic & global market likely to result in improved margins for Polyester Film SBU during following years
- Sustained focus towards achieving Company's strategic objective of enhancing sales of Value Added & Specialty products across all SBUs.
- Value Added & Specialty products in Polyester SBU fetch higher

realization than the plain polyester film and are less susceptible to cyclicity.

- Target to achieve economies of scale by enhancing sales volume in both OFC and Compound segments of Engineering Plastics SBU
- Company's continuous focus on Business Improvement initiatives to improve operating efficiencies and costs
- Improving processes and thereby improving productivity & efficiency that will lead to reduced wastages.

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

The Company has taken various steps to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.

**IV. DISCLOSURES:**

The Company has provided following information in Corporate Governance Report forming part of the Board of Directors Report:

- all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
- details of fixed component and performance linked incentives along with the performance criteria;
- service contracts, notice period, severance fees;
- stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

By Order of the Board of Directors  
For Ester Industries Limited  
Sd/-

Diwaker Dinesh  
Company Secretary  
(Membership No.: A22282)

Place : New Delhi  
Date : 2<sup>nd</sup> June, 2017

## ROUTE MAP FOR VENUE OF AGM

