



**PG ELECTROPLAST LIMITED**  
**CIN: L32109DL2003PLC119416**

**Regd. Office:** Regd. Office: DTJ209, 2nd Floor, DLF Tower-B, Jasola, New Delhi-110025

**Corp. Office:** P-4/2 TO 4/6, Site B, UPSIDC Industrial Area, Surajpur, Greater Noida, U.P.-201306

**Email:** [investors@pgel.in](mailto:investors@pgel.in) **Website:** [www.pgel.in](http://www.pgel.in) **Phones:** + 011-41421439 / 0120 - 2569323

**NOTICE OF POSTAL BALLOT AND E-VOTING**

*Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 & 22 of The Companies (Management & Administration) Rules, 2014*

Dear Member(s),

NOTICE IS HEREBY GIVEN that pursuant to the provisions of Section 110 read with Section 108 of the Companies Act, 2013 ("the Act"), Rule 20 and 22 of the Companies (Management and Administration Rules), 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Secretarial Standard on General Meetings (SS-2) read with the General Circular No. 14/ 2020 dated April 8, 2020 and the General Circular No. 17/ 2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by Companies under the Act and the Rules made thereunder on account of the threat posed by COVID -19" and the General Circular No. 33/2020 dated September 28, 2020 the General Circular No. 39/2020 dated December 31, 2020 in relation to extension of the framework provided in the aforementioned circulars up to June 30, 2021, issued by the Ministry of Corporate Affairs, Government of India (the "MCA Circulars") and all other applicable rules framed under the Act, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force and as may be enacted hereinafter to the extent applicable and any other applicable laws and regulations, the resolutions appended below are proposed to be passed by the Members as Ordinary/Special Resolutions by way of Postal Ballot (remote e-voting).

The proposed resolutions along with the explanatory statement setting out the material facts thereto are given hereunder.

Due to difficulty in dispatch of the Notice along with the Explanatory Statement and Postal Ballot Form by post or courier, on account of threat posed by COVID-19 pandemic situation and as permitted under the MCA Circulars, the Company is sending the Notice in electronic form only. In compliance with Sections 108 and 110 of the Act read with the rules framed there under and the MCA Circulars, the Company has extended only the remote e-voting facility for its members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The instructions for remote e-voting are appended to the Notice.

The members can vote on resolutions through remote e-voting facility only. Assent or Dissent of the members on the resolutions mentioned in the Notice would only be taken through the remote e-voting system as per the MCA Circulars.

The Board of Directors of the Company has appointed Ms. Puja Mishra of M/s Puja Mishra & Co., Practicing Company Secretaries, to act as the Scrutinizer for conducting the Postal Ballot (remote e-voting) process in a fair and transparent manner.

In compliance with the provisions of Section 108, 110 and other applicable provisions of the Act, read with the Rule 20 and 22 of the said Rules and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) the Company is providing e-voting

facility to all the Members of the Company. For this purpose, the Company has engaged the services of Kfin Technologies Private Limited to enable the Members to cast their votes electronically.

Upon completion of the e-voting process, the Scrutinizer will submit his report to the Chairman of the Company and the result of the Postal Ballot will be announced on Monday, March 01, 2021 by 5.00 P.M. The said result along with the Scrutinizer's Report will be displayed at Registered Office of the Company and uploaded on the Company's website [www.pgel.in](http://www.pgel.in) and on the website of Kfin Technologies e-voting website: <https://evoting.karvy.com/>. The result will simultaneously be communicated to the Stock Exchanges.

## **SPECIAL BUSINESSES**

### **ITEM NO. 1**

#### **INCREASE IN AUTHORISED SHARE CAPITAL AND ALTERATION IN THE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION**

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

**"RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules made thereunder {including any statutory modification(s) thereto or re-enactment thereof, for the time being in force} and subject to Articles of Association of the Company, the authorized share capital of the Company, be and is hereby increased from Rs. 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crore Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each to Rs. 35,00,00,000/- (Rupees Thirty Five Only) divided into 3,50,00,000 (Three Crore Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each, by creation of additional 1,00,00,000 (One Crore) equity shares of Rs.10/- (Rupees Ten Only) each."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Act, the existing Clause V of Memorandum of Association of the Company, be and is hereby replaced by the following:

*Clause: V. The Authorized Share Capital of the Company is Rs. 35,00,00,000/- (Rupees Thirty Five Crores only) divided into 3,50,00,000 (Three Crores Fifty Lakhs only) equity shares of Rs. 10/- (Rupees Ten only) each.*

**"RESOLVED FURTHER THAT** any Director(s) and / or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or desirable for giving effect to this resolution."

### **ITEM NO. 2**

#### **ISSUANCE OF 6,00,000 FULLY CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS TO THE PERSONS BELONGING TO 'PROMOTER' AND 'NON-PROMOTER' CATEGORY**

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To consider and, if thought fit, to give Assent / Dissent to the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the Companies (Share Capital and Debentures) Rules, 2014, as amended and other relevant rules made there under {including any statutory modification(s) thereto or re-enactment thereof for the time being in force}, enabling provisions in Memorandum and Articles of Association of the Company, provisions of the uniform listing agreements entered into by the Company with the relevant stock exchange(s) where the shares of the Company are listed {"**Stock Exchange(s)**"}, and in accordance with the guidelines, rules and

regulations of the Securities and Exchange Board of India (“SEBI”), as amended including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, by the Ministry of Corporate Affairs, SEBI and / or any other competent authorities, and subject to the approvals, consents, permissions and / or sanctions, as may be required from the Government of India, SEBI, Stock Exchange(s) and any other relevant statutory, regulatory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, which the Board has constituted or may hereafter constitute, to exercise one or more of its powers, including the powers conferred hereunder), consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot, on a preferential basis **up to 6,00,000 Fully Convertible Warrants (“Warrants”), at an issue price of Rs. 150/- per warrant** or such other higher price as may be determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, to be convertible at an option of Warrant holder(s) in one or more tranches, within 18 (eighteen) months from its allotment date into equivalent number of fully paid-up Equity Shares of face value of Rs.10/- each, for cash for an aggregate amount of up to Rs. 9,00,00,000 /- (Rupees Nine crore only) and to issue fresh Equity Shares on the conversion of Warrants on such further terms and conditions as may be finalized by the Board of Directors, to the below-mentioned persons belonging to the ‘Promoter & Promoter Group’ and ‘Non-promoter’ category, in the manner as follows:

Sr. No.	Name of Proposed allottee	Category	No. of Warrants to be issued
1.	Anurag Gupta	Promoter Group	1,00,000
2.	Vishal Gupta	Promoter Group	1,00,000
3.	Vikas Gupta	Promoter Group	1,00,000
4.	Arvind Yeshwant Pradhan	Non-Promoter	2,00,000
5.	Nikhil Vishnuprasad Bagla	Non-Promoter	50,000
6.	Urmila Nikhil Bagla	Non-Promoter	50,000

**“RESOLVED FURTHER THAT** the Relevant Date, as per the SEBI ICDR Regulations, as amended up to date, for the determination of issue price of Warrants is **Friday, January 29, 2021**, being the date 30 days prior to the last date of e-voting to be held on February 28, 2021.”

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

- a) Each Warrant held by the Proposed Allottee(s) shall entitle such allottee(s) to apply for and obtain allotment of one Equity Share at any time after the date of allotment but on or before the expiry of 18 (eighteen) months from the date of allotment (the “**Warrant Exercise Period**”).
- b) The Proposed Allottee(s) shall, on or before the date of allotment of Warrants, pay an amount equivalent to at least 25% of the Warrant Issue Price fixed per Warrant in terms of the SEBI (ICDR) Regulations, 2018 which will be kept by the Company to be adjusted and appropriated against the Warrant Issue Price of the Equity Shares. The balance 75% of the Warrant Issue Price shall be payable by the Warrant Holder at the time of exercising the Warrants.
- c) Warrants, being allotted to the Proposed Allottee(s) and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock-in for such period as may be prescribed under SEBI (ICDR) Regulations.
- d) Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.

- e) Warrants shall be issued and allotted by the Company only in dematerialized form.
- f) The consideration for allotment of Warrants and/or Equity Shares arising out of exercise of such Warrants shall be paid to the Company from the bank account of the Proposed Allottee(s).
- g) In the event the Warrant Holder(s) do not exercise Warrants within the Warrant Exercise Period, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- h) The Warrants by itself until converted into Equity Shares, do not give to the Warrant Holder any voting rights in the Company in respect of such Warrants."

**"RESOLVED FURTHER THAT** the Equity Shares proposed to be so allotted upon conversion of Warrants shall rank pari-passu in all respects including as to dividend, with the existing fully paid-up Equity Shares of face value of Rs. 10/- each of the Company, subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution Mr. Vishal Gupta, Mr. Vikas Gupta, Directors of the Company and Mr. Sanchay Dubey, Company Secretary be and are hereby authorized severally to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the holder(s) of the Equity , Warrants, application to Stock Exchanges for obtaining of in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Warrants, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders."

### **ITEM NO. 3**

#### **APPROVAL OF PG ELECTROPLAST EMPLOYEES STOCK OPTION SCHEME – 2020**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**"SEBI (SBEB) Regulations"**), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI (LODR) Regulations"**), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded for approval of PG Electroplast Employees Stock Option Scheme – 2020 (**"Scheme"**) and the Board of Directors of the Company (hereinafter referred to as the **"Board of Directors"** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) be and is hereby authorised to create, grant, offer, issue and allot under the Scheme, in one or more tranches, a maximum of 2% of Issued and Paid Up Capital of the Company as on October 31, 2020 comprising into 3,90,578 (Three Lakhs Ninety Thousands Five Hundred Seventy Eight) Employee Stock Options (**"Options"**) (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to such Employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director and Non-Executive Director, of the Company and its Subsidiary Company(ies) (in

India or outside India) but excluding an Employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time (**"Eligible Employees"**), exercisable into 3,90,578 (Three Lakhs Ninety Thousands Five Hundred Seventy Eight) Equity Shares of face value Rs. 10/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time), on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the Scheme."

**"RESOLVED FURTHER THAT** the Scheme shall be administered by the Nomination and Remuneration Committee of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB) Regulations for the purpose of administration and superintendence of the scheme."

**"RESOLVED FURTHER THAT** the Scheme shall be implemented through trust route wherein an irrevocable Trust by the name PG Electroplast Limited Employees Welfare Trust, set-up by the Company in compliance with SEBI (SBEB) Regulations, shall acquire the Equity Shares either by way of secondary acquisition from the market and/or Direct allotment of the Company."

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

**"RESOLVED FURTHER THAT** the Board of Directors, subject to compliance of the applicable laws and regulations, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental to and ancillary thereof."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

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

#### **ITEM NO. 4:**

#### **APPROVAL OF GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF SUBSIDIARY COMPANY (IES) (IN INDIA OR OUTSIDE INDIA) UNDER PG ELECTROPLAST EMPLOYEES STOCK OPTION SCHEME – 2020**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 6(3)(c) and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**"SEBI (SBEB) Regulations"**), Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or



re-enactment thereof), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI (LODR) Regulations"**), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to extend the benefits of PG Electroplast Limited Employee Stock Option Scheme – 2020 (**"Scheme"**) including the grant of Employee Stock Options (**"Options"**) and transfer of Equity Shares thereunder, to such Employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director and No Executive Director, of the Subsidiary Company(ies) (in India or outside India) but excluding an Employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time (**"Eligible Employees"**), on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the Scheme."

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

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

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

#### **ITEM NO. 5:**

#### **ACQUISITION OF SHARES BY WAY OF SECONDARY ACQUISITION UNDER PG ELECTROPLAST LIMITED EMPLOYEE STOCK OPTION SCHEME – 2020**

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To consider and if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Regulation 6(3)(a) and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**"SEBI (SBEB) Regulations"**), Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI (LODR) Regulations"**), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **"Board of Directors"** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) for secondary acquisition of a maximum of 3,90,578 (Three Lakhs Ninety Thousands Five Hundred Seventy Eight) Equity Shares (**"Shares"**) of the Company by PG Electroplast Limited Employees Welfare Trust (**"Trust"**), in one or more tranches, and at such price or prices and on such terms and conditions, as may be determined by the Board of Directors subject however that

the total number of Shares under secondary acquisition held by the Trust does not exceed, at any time, 5 (five) percent of the Paid-up Equity Capital of the Company, for the purpose of implementation of the PG Electroplast Limited Employee Stock Option Scheme – 2020 ("**Scheme**") and in due compliance with the provisions of the SEBI (SBEB) Regulations."

**"RESOLVED FURTHER THAT** the secondary acquisition by the Trust in any financial year shall not exceed 2 (two) percent of the paid-up Equity capital as at the end of the respective previous financial year in due compliance with the provisions of the SEBI (SBEB) Regulations."

**"RESOLVED FURTHER THAT** in case of any corporate action(s) such as bonus issue, rights issue, stock splits or consolidations or other re-organisation, if any, where additional Equity Shares are required to be issued by the Company to the shareholders, then the maximum number of Equity Shares to be acquired by the Trust from the secondary market in any financial year as well as the maximum number of Equity Shares acquired from the secondary market and held by the Trust at any point of time, as aforesaid, shall be increased in the same proportion as the number of such additional Equity Shares issued bears to the number of Equity Shares outstanding immediately prior to such issue."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary and incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

#### **ITEM NO. 6:**

#### **PROVISION OF MONEY BY THE COMPANY FOR PURCHASE OF ITS OWN SHARES BY THE TRUST / TRUSTEES FOR THE BENEFIT OF EMPLOYEES UNDER PG ELECTROPLAST LIMITED EMPLOYEE STOCK OPTION SCHEME – 2020**

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

**"RESOLVED THAT** pursuant to the provisions of Section 67(3), 62(1)(b), Rule 16 of the Companies (Share Capital and Debentures) Rules, 2015 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof) ("**Companies Act, 2013**"), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI (SBEB) Regulations**"), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI (LODR) Regulations**"), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board of Directors**") which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) to grant loan, to provide guarantee or security in connection with a loan granted or to be granted to PG Electroplast Limited Employees Welfare Trust ("**Trust**") as set-up by the Company in one or more tranches not exceeding 5% (Five percent) of the aggregate of the Paid-Up share capital and Free Reserves for the purpose of subscription and/or purchase of Equity Shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of Equity Shares ("**Shares**") as may be prescribed under PG Electroplast Limited Employee Stock Option Scheme – 2020 ("**Scheme**") or any other share based employee benefit plan which may be introduced by the Company from time to time ("**Employee Benefit Scheme(s)**") from time to time, with a view to deal in such Shares in line with contemplated objectives of the Scheme or for any other purpose(s) as permitted under and in due compliance with the provisions of the SEBI (SBEB) Regulations, Companies Act, 2013 and any other applicable laws and regulations."

**"RESOLVED FURTHER THAT** any loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the Scheme and/or Employee Benefit Schemes, as the case may be, to the extent of exercise price paid by the Employees upon exercise of the Options and the accruals of the Trust at the time of termination of the Scheme."

**"RESOLVED FURTHER THAT** the Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI (SBEB) Regulations."

**"RESOLVED FURTHER THAT** the Trustees of the Trust shall not vote in respect of the Shares held by such Trust."

**"RESOLVED FURTHER THAT** for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding."

**"RESOLVED FURTHER THAT** the Trustees of the Trust shall ensure compliance of the provisions of the SEBI (SBEB) Regulations, Companies Act, 2013 and all other applicable laws at all times in connection with dealing with the Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to comply with the legal provisions and do all ancillary and consequential matters and to take such steps and to do such acts, deeds, matters and things as they may deem proper and give/send such notices, directions as may be necessary to give effect to the above resolution."

***By order of the Board of Directors  
For PG Electroplast Limited***

**Sd/-**

**Sanchay Dubey  
Company Secretary**

**Place: Greater Noida  
Date: January 25, 2021**

**NOTES:**

- 1) Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the resolutions are annexed hereto.
- 2) Due to difficulty in dispatch of the Notice along with the Explanatory Statement and Postal Ballot Form by post or courier, on account of threat posed by COVID- 19 pandemic situation and as permitted under the MCA Circulars, the Company is sending the Notice in electronic form only.
- 3) In compliance with Sections 108 and 110 of the Act read with the rules framed there under and the MCA Circulars, the Company has extended only the remote e-voting facility for its members, to enable them to cast their votes electronically instead of submitting the postal ballot form. For this purpose, the Company has engaged Kfin Technologies Private Limited for facilitating e-voting to enable the Members to cast their votes electronically.
- 4) This notice is being sent to all the members, whose names appear in the Register of Members/Records of Depositories as on the close of working hours on January 22, 2021 i.e. "the cut-off date". Voting Rights shall be reckoned on the paid-up value of the shares registered in the name of the members as on January 22, 2021.
- 5) The members who have registered their e-mail id either with the Depositories or with the Company are being sent Postal Ballot Notice through e-mail only.
- 6) The members can vote on resolutions through remote e-voting facility only. Assent or Dissent of the members on the resolutions mentioned in the Notice would only be taken through the remote e-voting system as per the MCA Circulars.
- 7) All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts are open for inspection to the Members at the Registered Office of the Company between 10.00 a.m. to 12.00 p.m. on all working days except Saturdays, Sundays and National Holidays from the date hereof upto February 28, 2021.



## 8) Instructions for E Voting:

- i. The e-voting period begins on Saturday, January 30, 2021 (10.00 A.M.) and ends on Sunday, February 28, 2021 (5.00 P.M.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date January 22, 2021, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.
- ii. Use the following URL for e-voting: <https://evoting.karvy.com>
- iii. Enter the login credentials, i.e., user id and password mentioned in your email/notice. Your Folio No/DP ID Client ID will be your user ID. However, if you are already registered with Kfin Technologies for e-voting, you can use your existing User ID and Password for casting your votes.
- iv. After entering the details appropriately, click on LOGIN.
- v. You will reach the Password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT, i.e., PG Electroplast Limited.
- viii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cutoff date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR'/'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. Corporate/Institutional Members (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 through e-mail: [cspujamishra@gmail.com](mailto:cspujamishra@gmail.com) or to the Company through e-mail: [investors@pgel.in](mailto:investors@pgel.in). They may also upload the same in the e-voting module in their login.

In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Kfin Technologies website <https://evoting.karvy.com> or contact at 1-800-3454-001. Members may also write mail to compliance officer of the Company - Mr. Sanchay Dubey at e-mail: [investors@pgel.in](mailto:investors@pgel.in).

## EXPLANATORY STATEMENT

### ***(Pursuant to Section 102 of the Companies Act, 2013)***

The following Statement sets out all material facts relating to the Ordinary/Special Resolutions mentioned in the accompanying Notice:

#### **Item No.: 1**

Your Company is contemplating the preferential issue of Fully Convertible Warrants ("Warrants") in order to meet the funding and business-related requirements of the Company but not limited to funding business growth, capital expenditure, expansion, exploring new initiatives and for other general corporate purposes, and in view thereof, the Company needs to have enough unissued Authorized share Capital, so that the requisite number of fresh equity shares may be issued for the purpose of raising sufficient funds.

Presently, the Authorized share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crore Fifty Lakh Only) equity shares of Rs.10/- (Rupees Ten Only) each. The Board of directors, therefore, considers it desirable to increase the Authorized share

Capital of the Company to Rs. 35,00,00,000/- (Rupees Thirty-Five Crore Only) divided into 3,50,0000 (Three Crore Fifty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each, by creation of additional 1,00,00,000 (One Crore) equity shares of Rs.10/- (Rupees Ten Only) each, to accommodate the fresh issuance of the shares of the Company.

Consequent upon increase in authorized share capital as proposed, the existing Clause V of Memorandum of Association of the Company will also have to be replaced. The draft amended Memorandum of Association will be available for inspection by Members at the Registered Office of the Company between 10.00 a.m. to 12.00 p.m. on all working days except Saturdays, Sundays and National Holidays from the date hereof upto February 28, 2021.

The Board recommends the resolution proposed at Item No. 1 for your approval by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 1 of this Notice.

## **Item No. 2**

The Special Resolutions contained in Item No. 2 of the Notice, have been proposed pursuant to the provisions of Sections 42, 62 of the Companies Act, 2013, to issue and allot up to 6,00,000 Fully Convertible Warrants at an issue price of Rs. 150/- per share warrant to the persons belonging to Promoter Category in terms of Chapter V of SEBI (ICDR) Regulations, 2018 and applicable provisions of Companies Act, 2013 to raise an aggregate amount of Rs. 9,00,00,000/-. The said proposal has been considered and approved by the Board in their meeting held on January 25, 2021.

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

### **I. Objects of the Issue:**

The proceeds of the preferential issue shall be utilized to meet the funding and business related requirements of the Company and its subsidiaries including but not limited to funding business growth, capital expenditure, expansion, exploring new initiatives and for other general corporate purposes. The infusion will also strengthen the Company's financial position and reduce finance cost for the Company.

### **II. Particulars of the offer including the maximum number of specified securities to be issued:**

Preferential issue of up to 6,00,000 Fully Convertible Warrants, convertible into equivalent number of Equity Shares, to the Proposed Allottees for an aggregate amount of up to Rs. 9,00,00,000/-.

### **III. The intent of the promoters, directors or key management personnel of the issuer to subscribe to the offer:**

The intent of the promoters, directors or key management personnel of the issuer to subscribe to the offer is as follows:

<b>Sr. No</b>	<b>Name of Proposed Allottee</b>	<b>No. of Warrants to be issued</b>
1.	Anurag Gupta	1,00,000
2.	Vishal Gupta	1,00,000
3.	Vikas Gupta	1,00,000

Except aforementioned, none of the persons are deemed to be concerned or interested in the above resolution, none of the other Directors or KMP or their relatives are in any way concerned or interested, financially or otherwise, in the above referred resolutions.

**IV. The Shareholding Pattern of the issuer before and after the preferential issue:**

The shareholding pattern of the Company before and after the proposed preferential issue is likely to be as follows:

Category	Pre issue Shareholding Structure		Warrants to be allotted	Post Issue Shareholding (Presuming full conversion of Warrants)#	
	No. of Shares	%age		No. of Shares	%age
(A) Promoter Shareholding					
(1) Indian	1,36,47,181	69.88	<b>3,00,000</b>	1,39,47,181	69.29
(a) Individuals & HUF	0	0.00		0	0.00
(b) Bodies Corporate	0	0.00		0	0.00
Sub Total (A)(1)	1,36,47,181	69.88		1,39,47,181	69.29
(2) Foreign promoters	<b>0</b>	0.00		<b>0</b>	0.00
<b>Total Promoter shareholding A=A1 +A2</b>	<b>1,36,47,181</b>	<b>69.88</b>		<b>1,39,47,181</b>	<b>69.29</b>
(B) Public Shareholding		0.00			0.00
B1) Institutional Investors	16	0.00		16	0.00
B2) Central Govt./Stat Govt./POI	0	0.00		0	0.00
B3) Non-Institutional Investors	0	0.00		0	0.00
<b>Individuals</b>	45,82,226	23.46	<b>3,00,000</b>	48,82,226	24.25
Body Corporate	9,82,080	5.03		9,82,080	4.88
Others (Including NRI)	3,17,413	1.63		3,17,413	1.58
<b>Total Public Shareholding B=B1+B2+B3</b>	<b>58,81,735</b>	<b>30.12</b>		<b>61,81,735</b>	<b>30.71</b>
C) Non-Promoter - Non-Public	0	0.00		0	0.00
<b>Grand Total (A+B+C)</b>	<b>1,95,28,916</b>	<b>100.00</b>	<b>6,00,000</b>	<b>2,01,28,916</b>	<b>100.00</b>

#Post shareholding structure may change depending upon any other corporate action in between.

**V. Proposed time limit within which the allotment shall be complete:**

In terms of SEBI ICDR Regulations, preferential allotment of said Warrants will be completed within a period of 15 (fifteen) days from the date of passing of special resolution at Item No. 2.

Provided that where the allotment is pending on account of pendency of any application for approval or permission by any regulatory authority, if applicable, the allotment would be completed within 15 (fifteen) days from the date of such approval or within such further period as may be prescribed or allowed by SEBI, stock exchange(s) or other concerned authorities.

**VI. The identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and / or who ultimately control the proposed allottee(s) and the percentage of post preferential issue capital that may be held by them:**

Identity of the Proposed Warrant Allottee(s) and the percentage of post preferential issue capital that may be held by them:

Name	Pre issue Shareholding Structure		No. Of Warrants To be Allotted	Post Issue Shareholding (Presuming full conversion of Warrants) #		Name of ultimate beneficial owners
	No. of Shares	%		No. of Shares	%	
Anurag Gupta	24,26,201	12.42	1,00,000	25,26,201	12.55	NA
Vishal Gupta	28,16,991	14.42	1,00,000	29,16,991	14.49	NA
Vikas Gupta	28,12,701	14.40	1,00,000	29,12,701	14.47	NA
Arvind Yeshwant Pradhan	0	0	2,00,000	2,00,000	0.99	NA
Nikhil Vishnuprasad Bagla	0	0	50,000	50,000	0.25	NA
Urmila Nikhil Bagla	0	0	50,000	50,000	0.25	NA

#Post shareholding structure may change depending upon any other corporate action in between.

#### **VII. Consequential Changes in the Voting Rights and Change in Management**

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

#### **VIII. Lock-in Period:**

- i. The Warrants and the Equity Shares to be allotted upon conversion of warrants, shall be subject to 'lock-in' in accordance with Chapter V of the SEBI ICDR Regulations.
- ii. The entire pre-preferential allotment shareholding, if any, of the Proposed Allottees, shall be locked-in as per Chapter V of the SEBI ICDR Regulations.

#### **IX. Issue price and Relevant Date:**

In terms of Regulation 161 of SEBI ICDR Regulations, the Relevant Date has been reckoned as Friday, January 29, 2021 for the purpose of computation of issue price of the said Warrants.

The Equity Shares of the Company are listed on both National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") and are frequently traded thereat. Accordingly, the minimum issue price will be calculated on the basis of trading at NSE, being the Exchange with higher trading volume.

#### **X. Undertakings:**

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

#### **XI. Auditor's Certificate:**

The certificate from M/s Chitresh Gupta & Associates., Chartered Accountants, being the Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements of Chapter V of the SEBI ICDR Regulations has been obtained considering the said

preferential issue. The copy of said certificate is available at the website of the Company, till the declaration of result of the Postal Ballot, at [www.pgel.in](http://www.pgel.in).

## **XII. Details of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.**

Except Mr. Anurag Gupta, Mr. Vishal Gupta and Mr. Vikas Gupta and their relatives, none of the other Directors or key managerial personnel or their relatives are in any way concerned or interested, financially or otherwise, in the above referred resolution.

The Board of Directors recommends the resolutions as set out in Item No. 2 of this notice for the issue of Warrants, on a preferential basis, to the persons belonging to the promoter and non-promoter category by way of Special Resolution.

### **Item No.: 3, 4 & 5**

Equity based remuneration includes alignment of personal goals of the Employees with Organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the Employee engagement, to reward the Employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the key Employees and to create a sense of ownership and participation amongst them, the Board of Directors in its meeting held on November 05, 2020, approved PG Electroplast Limited Employee Stock Option Scheme – 2020 (**“Scheme”**) to or for the benefit of such Employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director and Non-Executive Directors, of the Company and its Subsidiary Company(ies) (in India or outside India) but excluding an Employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time (**“Eligible Employees”**).

In terms of Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**“SEBI (SBEB) Regulations”**) and Section 62 and other applicable provisions of the Companies Act, 2013, for issue of Equity Shares to the Employees of the Company, the approval of the existing Members by way of Special Resolution is required. The Special Resolution set out at Item No. 3 is seeking your approval for the formulation and implementation of the Scheme and issuance of Equity Shares thereunder.

Further, as per Regulation 6(3)(c) of SEBI (SBEB) Regulations, approval of the Members by way of separate Special Resolution is also required for grant of Options to the Employees of Subsidiary Company(ies). The Special Resolution set out at Item No. 4 is seeking your approval for the said purpose.

Furthermore, as per Regulation 6(3)(a) of SEBI (SBEB) Regulations, approval of the shareholders by way of separate Special Resolution is also required for secondary acquisition of Shares by the Trust for proper implementation of the Scheme. The Special Resolution set out at Item No. 5 is seeking your approval for the said purpose.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of SEBI (SBEB) Regulations are as under:

#### **1. Brief description of the Scheme:**

The Scheme shall be called as PG Electroplast Limited Employee Stock Option Scheme – 2020.



The Purpose of the Scheme includes the followings:

- a. To motivate the Employees to contribute to the growth and profitability of the Company.
- b. To retain the Employees and reduce the attrition rate of the Company.
- c. To achieve sustained growth and the creation of Shareholder value by aligning the interests of the Employees with the long-term interests of the Company.
- d. To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come, and
- e. To provide additional deferred rewards to Employees.

**2. Total number of Options to be granted under the Scheme:**

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 2% of the Issued and Paid Up Capital of the Company as on October 31, 2020 comprising into 3,90,578 Options convertible into equal number of Shares.

If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further grant under the Scheme unless otherwise determined by the Board of Directors (which term shall be deemed the Nomination and Remuneration Committee).

Further, the maximum number of Options that can be granted and the Shares arise upon exercise of these Options shall stand adjusted in case of corporate action (*as defined in the Scheme*).

**3. Identification of classes of Employees entitled to participate and be beneficiaries in Scheme:**

- a. A permanent Employee of the Company who has been working in India or outside India; or
- b. a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director and Non-Executive Director; or
- c. an Employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India, of the Company;

But does not include:

- a. an Employee who is a Promoter or a person belonging to the Promoter Group; or
- b. A Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.

**4. Requirement of Vesting and period of Vesting:**

Vesting period shall commence after minimum 1 (One) year from the grant date and it may extend upto maximum of 4 (Four) years from the grant date, at the discretion of and in the manner prescribed by the Board of Directors.

The vesting schedule will be clearly defined in the grant letter of respective Employees. The Actual vesting may further be linked with the eligibility criteria, as determined by the Board of Directors in accordance with the Scheme, the same will be mentioned in the grant letter.

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

The stock options granted under the Scheme shall vest within a maximum period of 4 (Four) years from the grant date.

**6. Exercise Price or Pricing Formula:**

As decided by the Board of Director's, the exercise price will either be:

- a. In case the Shares acquired by the Trust is from secondary acquisition then the exercise price will be the average purchase price of the Shares of the Trust.
- b. In case the Shares acquired by the Trust is from direct allotment then the exercise price will be market price of the Shares.

*For the above purpose Market price means the latest available closing price on a recognized stock exchange on which the Shares of the Company are listed on the date immediately prior to the relevant date i.e. date of the meeting of the Nomination and Remuneration Committee on which the grant is made.*

*Explanation – If the Shares of the Company got listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume shall be considered as the market price.*

The Board of Directors has a power to provide suitable discount on such price as arrived above. However, in any case the exercise price shall not go below the par value of Share of the Company.

**7. Exercise period and process of Exercise:**

The exercise period shall be 1 year from the date of respective vesting. The Options can be exercised in either of the Cash route or Cashless Route (*as defined in the Scheme*).

The mode and manner of the exercise shall be communicated to the employees individually.

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

The Board of Directors may on the basis of all or any of the following criteria, decide on the Employees / Grantees who are eligible for the grant / vesting of Options under the Scheme and the terms and conditions thereof.

- Loyalty: It will be determined on the basis of tenure of employment of an Employee / Grantee in the Company.
- Performance of Employee / Grantee: Employee's / Grantee's performance during the financial year on the basis of the parameters decided by the Board of Directors.
- Performance of Company: Performance of the Company as per the standards set by the Board of Directors.
- Any other criteria as decided by the Board of Directors from time to time.

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

The maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant. The Committee may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 2% of the Issued and Paid Up Capital of the Company as on October 31, 2020 comprising into 3,90,578 Options convertible into equal number of Shares.

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

The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Stock Exchanges as on the date of exercise of Options and the Exercise Price paid by the Employee.

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

The Scheme shall be implemented through trust route wherein an irrevocable Trust by the name PG Electroplast Limited Employees Welfare Trust, set-up by the Company in compliance with SEBI (SBEB) Regulations, shall acquire the Equity Shares either by way of secondary acquisition from the market and/or Direct allotment of the Company.

The Scheme shall be administered by the Nomination and Remuneration Committee which shall

delegate some or all of its power to the Trust or any other Committee or Persons for proper administration of the Scheme

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

The Scheme involves both secondary acquisitions of equity shares by the Trust / Direct allotment to the Trust by the Company.

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

The amount of loan to be provided for implementation of the Scheme by the Company to the Trust shall not exceed 5% of the Paid up Equity Capital and Free Reserves as provided in Companies Act, 2013. The tenure of such loan shall be the point where the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier. The utilization of such loan shall be for the objects of the Trust as mentioned in the Trust Deed. The Trust shall repay the loan to the Company by utilising the proceeds realised from exercise of Options by the Employees and the accruals of the Trust at the time of termination of the Scheme.

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

The total number of Shares under secondary acquisition held by the Trust shall at no time exceed 5 (Five) percent of paid up equity capital as at the end of the financial year immediately prior to the year in which the Shareholder approval is obtained for such secondary acquisition.

Further, the secondary acquisition in a financial year by the Trust shall not exceed 2 (Two) percent of the Paid up Equity Capital as at the end of the previous financial year.

**15. Disclosure and accounting policies:**

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

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

The Company shall comply with the requirements of IND-AS and shall use Fair Value method.

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

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

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the Options those may be granted under the said Scheme.

The Board of Directors of the Company recommends the Resolutions to be passed as Special Resolutions as set out at Item No. 3, 4 and 5 for approval of the Members.

PG Electroplast Limited Employee Stock Option Scheme – 2020 and other documents referred to in the aforesaid resolutions will be available for inspection by Members at the Registered Office of the Company between 10.00 a.m. to 12.00 p.m. on all working days except Saturdays, Sundays and National Holidays from the date hereof upto February 28, 2021.

## Item No. 6

In order to execute PG Electroplast Limited Employee Stock Option Scheme – 2020 through Trust Route, the company needs to make provisioning of funds to the Trust so as to enable it to purchase the Shares of the Company. Accordingly, Item No. 6 which is proposed for approval of the Shareholders is set out in this Notice.

The disclosures as per Rule 16 of the Chapter IV of the Companies Act, 2013, are as under:

<b>1.</b>	<b>The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares.</b>	The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares is as follow:  a) a permanent Employee of the Company who has been working in India or outside India; or  b) a Director of the Company, whether a Whole Time Director or not but excluding an Independent Director and Non-Executive Director; or  c) an Employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India, of the Company  But does not include:  a) an Employee who is a Promoter or a person belonging to the Promoter Group; or  b) Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.
<b>2</b>	<b>The particulars of the Trustee or Employees in whose favor such Shares are to be registered.</b>	<b>Name of the Trustees:</b>  1. Mr. Ashwani Kumar Tyagi 2. Mr. Vikas Koul
<b>3</b>	<b>Particulars of Trust.</b>	<b>Name of the Trust:</b> PG Electroplast Limited Employees Welfare Trust <b>Address of the Trust:</b> DTJ 209, DLF Tower-B, Jasola, New Delhi - 110025
<b>4</b>	<b>Name, Address, Occupation and Nationality of Trustees.</b>	1. <b>Name:</b> Mr. Ashwani Kumar Tyagi <b>Address:</b> G-5, Parsvanath Edens, Sector Alpha-2, Greater Noida, Uttar Pradesh 201310 <b>Occupation:</b> Service <b>Nationality:</b> Indian  2. <b>Name:</b> Mr. Vikas Koul <b>Address:</b> D-604, Ivy Botanica, Ivy Estate, Wagholi, Pune Maharashtra - 412207 <b>Occupation:</b> Service <b>Nationality:</b> Indian
<b>5</b>	<b>Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.</b>	None

6	<b>Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.</b>	The Key Managerial personnel and Directors are interested in the PG Electroplast Limited Employee Stock Option Scheme – 2020 only to the extent, to the Options that may be granted to them, if any, under the Scheme.
7	<b>The detailed particulars of benefits which will accrue to the Employees from the implementation of the Scheme</b>	<ul style="list-style-type: none"> <li>a) To motivate the Employees to contribute to the growth and profitability of the Company.</li> <li>b) To retain the Employees and reduce the attrition rate of the Company.</li> <li>c) To achieve sustained growth and the creation of Shareholder value by aligning the interests of the Employees with the long term interests of the Company.</li> <li>d) To create a sense of ownership and participation amongst the Employees to share the value they create for the Company in the years to come, and</li> <li>e) To provide additional deferred rewards to Employees.</li> </ul>
8	<b>The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised</b>	<p>The Trust would be considered as the registered Shareholder of the Company till the date of transfer of Shares to the Employees.</p> <p>However, the Trustees will not have any right to vote on the Equity Shares held by the Trust.</p> <p>Once the shares are transferred to the Employees upon their Exercise, then the Employees will be treated as the Shareholder of the Company and shall exercise the right to vote in respect of such shares.</p>

In terms of the Companies Act, 2013, read with Rule 16 of Chapter IV of the Companies Act, 2013, the approval of the Shareholders is sought by way of Special Resolution for the approval for the provisioning of money to the Trust to fulfil the requirements of PG Electroplast Limited Employee Stock Option Scheme – 2020. Therefore, your Directors recommend the Resolutions as set out at item no. 6 for your approval by way of Special Resolution.

None of the Directors and any Relatives of such Director, Key Managerial Personnel is in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company. However, Directors / Key Managerial Personnel may be deemed as interested upto the amount of Options that may be granted to them under the PG Electroplast Limited Employee Stock Option Scheme – 2020.

**By order of the Board of Directors  
For PG Electroplast Limited  
Sd/-**

**Sanchay Dubey  
Company Secretary**

**Place: Greater Noida  
Date: January 25, 2021**