

AYM Syntex Ltd.

Regd. Office: Plot No.1, Survey No.374/1/1, Village Saily, Silvassa - 396230, U.T of Dadra & Nagar Haveli
Phone: 91 260 2640596, Fax: 91 260 2640597
CIN: L99999DN1983PLC000045

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 each as amended and applicable Circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time.]

REMOTE E-VOTING STARTS ON	REMOTE E-VOTING ENDS ON
Thursday, February 4, 2021	Friday, March 5, 2021

Dear Members,

Notice is hereby given that pursuant to and in compliance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (**the "Act"**), Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 and the Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs (**"MCA Circulars"**) (including any statutory modification or re-enactment thereof for the time being in force, and as amended from time to time), and pursuant to other applicable laws and regulations, the resolution appended below for AYM ESOP Scheme 2021 is proposed for approval of the shareholders of the AYM Syntex Limited (**the "Company"**) through postal ballot by remote e-voting process (**"e-voting"**). The explanatory statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act pertaining to the aforesaid resolution setting out the material facts concerning the AYM ESOP Scheme 2021 is annexed hereto for your consideration.

In view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, MCA in terms of its General Circulars, has advised the companies to take all decisions of urgent nature requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of Postal Ballot/E-Voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. Moreover, in terms of the General Circulars, the Company will send Postal Ballot Notice by email to all its members who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the General Circulars.

Company is pleased to offer a remote e-voting facility to all its members to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (**NSDL**) to provide e-voting facilities to the Members of the Company. The e-voting facility is available at the link

www.evotingindia.com. Shareholders are requested to read the instructions in the Notes under the section "Procedure and instruction relating to e-voting" in this postal ballot notice (**"Postal Ballot Notice"**) to cast their vote electronically. Shareholders are requested to cast their vote through the e-voting process **not later than** 17:00 Hours IST on Friday, March 05, 2021 to be eligible for being considered, failing which it will be strictly considered that no vote has been received from the shareholder.

The Board of Directors of the Company has appointed Mr. Hitesh Gupta, Company Secretary in whole time practice, Mumbai CP No. 12722 as Scrutinizer for conducting the voting process through Postal Ballot / e-voting in accordance with the law and in a fair and transparent manner.

In accordance with the provisions of the MCA Circulars, the Company has made arrangements for the shareholders to register their e-mail addresses. Therefore, those shareholders who have not yet registered their e-mail addresses are requested to register the same by following the procedure set out in the notes to this Postal Ballot Notice.

The Scrutinizer will submit his Report to the Chairman or any person duly authorized by him, who will counter sign the same, upon completion of e-voting data provided by NSDL in a fair and transparent manner. The result of the Postal Ballot will be declared on or before **Monday, March 08, 2021, by 17.00** at the Registered Office of the Company and communicated to the National Stock Exchange of India Limited (**NSE**) and Bombay Stock Exchange Limited (**BSE**) and posted on the Company's website www.aymsyntex.com and voting-result.

Approval for "AYM Employee Stock Option Scheme-2021" for the employees of the Company.

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (**the "Act"**) and the Companies (Share Capital and Debenture) Rules, 2014 read along with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (the "SEBI ESOP Regulations"), the Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **“Listing Regulations”**), Foreign Exchange Management Act, 1999, (**“FEMA”**) (including any statutory amendment(s), modification(s) or re-enactment of the Act or the SEBI ESOP Regulations or Listing Regulations or FEMA, as the case may be, for the time being in force), the Memorandum and Articles of Association of the Company, any other rules, regulations and guidelines issued by any other regulatory or government authority and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms, conditions, modifications and amendments as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Company, consent of the shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as the **“Board”**) which term shall be deemed to include any duly constituted committee thereof, including the Nomination and Remuneration (**“NRC Committee”**) or any other committee which the Board may constitute/designate to act as the 'Nomination & Remuneration Committee' under the SEBI ESOP Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution) to adopt, introduce and implement the **'AYM Syntex Limited Employee Stock Option Scheme-2021'** (the **“ESOS Scheme”**) the salient features of which are furnished in the explanatory statement annexed hereto”.

“RESOLVED FURTHER THAT consent of the shareholders of the Company be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, to or for the benefit of, such persons who are employees of the Company, whether working in India or outside India, and/or to the Directors of the Company, whether whole-time or not but excluding Independent Director(s), (selected on the basis of criteria decided by the Board) under the ESOS Scheme but excluding employees who are promoters or persons belonging to the promoter group and director(s) who either himself or through his / her relatives or through any body-corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, such number of Stock Options (**the “Options” or “Stock Options”**) not exceeding **15,00,000 (Fifteen Lakh)** convertible into equivalent number of equity shares (or such other number adjusted for change in capital structure or corporate actions in terms of ESOS Scheme as per applicable law), at such price and on such terms and conditions as may be fixed or determined by the Board/or delegated to any of its committees in its sole and exclusive discretion”.

“RESOLVED FURTHER THAT pursuant to the provisions of the Act, SEBI ESOP Regulations, Listing Regulations, FEMA (including any statutory amendment(s), modification(s) or re-enactment of the Act or the SEBI ESOP Regulations or Listing Regulations or FEMA, as the case may be, for the time being in force) and other rules, regulations and guidelines, if any, Memorandum and Articles of Associations of the Company, consent of the shareholders be and is hereby accorded to create, offer, issue and allot (including delegation of allotment to any of its Committees) at any time **15,00,000 (Fifteen Lakh)**

equity shares of Rs. 10/- each (the **“Equity Shares”**) (or such other number adjusted for change in capital structure or corporate actions in terms of ESOS Scheme as per applicable law), upon exercise of Stock Options at such price, in one or more tranches and on such terms and conditions including vesting criteria, as may be fixed or determined by the Board in its sole and exclusive discretion”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and implement the ESOS Scheme on the terms and conditions contained therein and stated in the explanatory statement annexed hereto including instances where such Stock Options shall lapse/cancel and to grant such number of Stock Options, to such employees and Directors of the Company, at par or at such other price, at such time and on such terms and conditions as set out in the ESOS Scheme and as the Board may in its absolute discretion think fit, subject to applicable laws and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in terms and conditions of the ESOS Scheme from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule, vesting conditions, withdraw or revive the ESOS Scheme, as the Board may, in its absolute discretion, think fit, subject to applicable laws”.

“RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other reorganisation of capital structure of the Company, as the case may be, the number of Stock Options and/or the shares to be allotted upon exercise of Stock Options shall be reasonably adjusted in accordance with the provisions of the ESOS Scheme and in case of sub-division or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under the ESOS Scheme”.

“RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company upon the exercise of Stock Options, shall rank pari-passu in all respect including dividend with then existing Equity Shares of the Company”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to make any variation, amendment, modification or alteration in the ESOS Scheme, as it may deem fit, from time to time in its absolute discretion in conformity with the provisions of the Act, the SEBI ESOP Regulations, Listing Regulations and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted Stock Options under the ESOS Scheme”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the Equity Shares allotted under the ESOS Scheme on the Stock Exchanges, where the Equity Shares of the Company are listed

in compliance with the provisions of the Listing Regulations and other applicable laws, rules and regulations”.

“RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under SEBI ESOP Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOS Scheme”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things including the appointment of or authorizing or directing the appointment of various intermediaries, experts, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre, professionals, independent agencies and other advisors, merchant bankers, valuers, consultants or representatives, being incidental to the effective implementation and administration of the ESOS Scheme, as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the shareholders of the Company to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of ESOS Scheme and also to prefer applications to the appropriate Authorities, Parties and Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/ BSE Limited/National Stock Exchange of India, and all other documents required to be filed in the above connection and to take all such steps and do all such acts as may be incidental or ancillary thereto”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred herein, to any committee of the Board of Directors, with power to further delegate such powers to any executives/officers of the Company, to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard.”

Place: Mumbai
Date: January 30, 2021

By order of the Board
Ashitosh Sheth
Company Secretary
Membership No.: A25997

Registered Office of the Company:

Plot no.1, Survey No.374/1/1,
Village Saily, Silvassa- 396230,
U.T of Dadra & Nagar Haveli

CIN: L99999DN1983PLC000045

Phone: 91 260 2640596, Fax: 91 260 2640597,

Email: www.aymsyntex.com

Notes:

1. The relevant Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (**“Act”**) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (**“Rules”**), each as amended, setting out the material facts relating to the proposed resolution and the reasons thereof is annexed hereto and forms part of this Postal Ballot Notice (**“Notice”**).
2. Due to the threat posed by COVID-19 and in terms of the guidelines provided vide the MCA Circulars, the Company is sending this Notice in electronic form only and expresses its inability to dispatch the physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope to the Members. Accordingly, the communication of the assent or dissent of the Members would take place through the process of **remote e-voting only**.
3. The Postal Ballot Notice is being sent electronically only to the shareholders of the Company whose names appear on the Register of Members/List of Beneficial Owners as received from the Depositories as on **Friday, January 29, 2021 (“Cut-off Date”)**. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cutoff Date.
4. This Notice containing instructions regarding remote e-voting is being sent electronically to all those Members, whose e-mail addresses are registered with the Company/ M/s. Link Intime India Pvt. Ltd, the Company’s Registrar and Share Transfer Agent(**“Link Intime”**) / Depositories / Depository Participants (in case of electronic shareholding) or who will register their e-mail address with ‘Link Intime’, on or before 5.00 p.m. (IST) on **Friday, January 29, 2021**.
5. Only those Members whose names are appearing in the Register of Members / List of Beneficial Owners as on the Cut-off Date shall be eligible for casting their votes through remote e-voting. A person who is not a Member on the Cut-off Date should treat this Notice for information purposes only.

It is however, clarified that all Members of the Company as on the Cut-off Date (including those Members who may not have received this Notice due to non-registration of their e-mail IDs with the Company Registrar and Share Transfer Agent Depositories) shall be entitled to vote in relation to the resolution specified in this Notice in accordance with the process specified hereinafter in this Notice.

6. Members may please note that the Postal Ballot Notice will also be available on the Company’s website at www.aymsyntex.com and on the website of Stock Exchanges BSE at www.bseindia.com and NSE at www.nseindia.com and on the website of NSDL at www.evong.nsd.com.

7. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at investorrelations@aymgroup.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card and self-attested copy of any document (eg.: Driving License, Election identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write at investorrelations@aymgroup.com or to the Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd. (**'Link Intime'**) at rnt.helpdesk@linkintime.co.in
8. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Link Intime'.
9. In compliance with the provisions of Section 108 and Section 110 of the Act read with Rules 20 and 22 of the Rules, Regulation 44 of the Listing Regulations, SS-2 and MCA Circulars, the Company is pleased to provide e-voting facility to its Members, to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (**"NSDL"**) to provide e-voting facility to its Members. The detailed procedure with respect to e-voting is mentioned below.

PROCEDURE FOR REMOTE E-VOTING

10. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at **9.00 a.m. on February 4, 2021** and will end at **5.00 p.m. on March 5, 2021**.

INSTRUCTIONS FOR E-VOTING

1. The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at

<https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-voting website?

- (a) Visit the e-voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/>.

- (b) Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.

- (c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- (d) Your User ID details are given below :

Manner of holding shares	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example: if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example: if your Beneficiary ID is 12***** then your User ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example: if folio number is 001*** and EVEN is 101456 then your User ID is 101456001***.

- (e) Your password details are given below

- i. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- ii. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- iii. How to retrieve your 'initial password'?

“ If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

“ If your email ID is not registered, please follow steps mentioned in Note No. 7 above.

- (f) If you are unable to retrieve or have not received the ‘Initial password’ or have forgotten your password:
- i. Click on ‘Forgot User Details/Password?’ (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - ii. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (g) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box;
- (h) Now, you will have to click on “Login” button;
- (i) after you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- a) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- b) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- c) Select “EVEN” of company for which you wish to cast your vote.
- d) Members may participate in AGM even after exercising his right to vote through remote E-voting but shall not be allowed to vote again at AGM.
- e) A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the Depositories as on the cut off date only shall be entitled to avail the facility of remote E-voting as well as voting at AGM.
- f) Now you are ready for e-Voting as the Voting page opens.
- g) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- h) Upon confirmation, the message “Vote cast successfully” will be displayed.

- i) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- j) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

11. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cshitesh.gupta@gmail.com with a copy marked to evoting@nsdl.co.in.
 12. In case of any queries relating to e-voting for Postal Ballot, Members may refer the Frequently Asked Questions (“FAQs”) for Members and remote e-voting user manual for Members available at the ‘Downloads Section’ of www.evoting.nsdl.com or call on toll free no.:1800-222-990 or send a request to Mr. Amit Vishal, Senior Manager, National Securities Depository Ltd., Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, or at the designated email ids – evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone nos. +91 22 2499 4600 / +91 22 2499 4369.
 13. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the ‘Forgot Password’ option or ‘Physical User Reset Password’ option available on www.evoting.nsdl.com to reset the password.
 14. Resolutions passed by the shareholders through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the shareholders.
 15. The resolutions, if passed by the requisite majority shall be deemed to have been passed on **Friday, March 5, 2021** i.e., the last date specified for receipt of votes through the e-voting process.
 16. All the material documents referred to in the explanatory statement will be available for inspection electronically until the last date for receipt of votes through the e-voting process. Members seeking to inspect such documents can send an email to investorrelations@aymgroup.com.
- PROCEDURE FOR INSPECTION OF DOCUMENTS:**
17. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on investorrelations@aymgroup.com.

**STATEMENT PURSUANT TO SECTION 102(1) AND 110 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "ACT")
APPROVAL FOR "AYM EMPLOYEE STOCK ON SCHEME-2021" FOR THE EMPLOYEES OF THE COMPANY.**

Item 1:

Your Company believes that employees form an integral part of the organization for sustained growth and strive to create a work environment that fosters high performance culture. In today's competitive world, equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share-based compensation scheme/plan.

Your Company fully recognizes the same and therefore wants its employees to participate and share the fruits of growth and prosperity along with the Company and intends to reward, attract, motivate and retain employees and Senior management of the Company for their high level of individual performance and for their efforts to improve the financial performance of the Company with the objective of achieving sustained growth of the Company and creation of shareholders value by aligning the interests of the eligible employees with the long-term interests of the Company.

With the above objective, the Board of Directors of the Company [hereinafter referred to as the "Board", which term shall include the Nomination and Remuneration Committee ("NRC Committee") constituted by the Board or any other Committee which the Board may constitute / designate to act as the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI ESOP Regulations**")], pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") and the Companies (Share Capital and Debenture) Rules, 2014 read along with the provisions of the SEBI ESOP Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**"), Foreign Exchange Management Act, 1999, the Memorandum and Articles of Association of the Company, proposed 'AYM Syntex Limited Employee Stock Option Scheme 2021' ("**AYM ESOS 2021**" or "**ESOS Scheme**"). The ESOS Scheme has been formulated in accordance with the SEBI ESOP Regulations. The terms and broad framework of the ESOS Scheme has been approved by the Board of Directors of the Company at their meeting held on **January 30, 2021**.

Under the ESOS Scheme, the eligible employees shall be granted employee Stock Options in the form of Options ("**Options**" or "**Stock Options**") which will be exercisable into equity shares of Rs. 10/- each of the Company (the "**Equity Shares**"). The maximum number of Equity Shares to be issued and allotted under the ESOP Scheme shall be limited to **15,00,000 (Fifteen Lakh)** Equity Shares of the Company representing 2.99% of the current paid-up equity shares of the Company. The ESOS Scheme will be administered by the Nomination & Remuneration Committee of the Board

constituted pursuant to the provisions of Section 178 of the Act.

The salient features, relevant disclosures and details of the ESOS Scheme are as follows:

a) Brief Description of the Scheme(s):

ESOS Scheme is intended to reward, attract, motivate and retain eligible employees and Directors of the Company for their high level of individual performance and for their efforts to improve the financial performance of the Company with the objective of achieving sustained growth of the Company and creation of shareholders' value by aligning the interests of the eligible employees with the long-term interests of the Company.

b) Total number of Stock Options to be granted

The total number of Stock Options that may in aggregate be granted shall be such number that would entitle the grantees to acquire, in one or more tranches, such equity shares of the Company not exceeding 15,00,000 (Fifteen Lakh) Equity Shares of Rs. 10/- each, being 2.99% of the paid-up equity shares of the Company.

Upon exercise, each Stock Option entitles the relevant grantee to one Equity Share (i.e. one Stock Option will entitle the grantee to one Equity Share). In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division or other re-organisation of capital structure of the Company, as the case may be, the number of Stock Options and / or the Equity Shares to be allotted upon exercise of Options shall be reasonably adjusted as per the provisions of the ESOS Scheme and in case of sub-division or consolidation of shares then the number of shares and the exercise price shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the eligible employees who have been granted Stock Options under the ESOS Scheme.

Stock Options not vested due to non-fulfilment of the vesting conditions, vested Stock Options which the grantees expressly refuse to exercise, Stock Options (vested and not exercised and unvested) which have been surrendered and any Stock Options granted but not vested or exercised within the stipulated time due to any reasons, shall lapse / Cancel and all these lapsed / Cancelled Stock Options or the underlying Equity Shares will be available for grant under the present ESOS Scheme or under a new scheme, subject to compliance with applicable laws.

c. Identification of classes of employees entitled to participate in the ESOS Scheme

Following classes of employees, who are in the management cadre, shall be eligible to participate in the ESOS Scheme:

- i. A permanent employee of the Company, working in India or outside India;
- ii. Directors of the Company whether whole time or not but excluding an Independent Director; or
- iii. an employee as defined in (i) or (ii) above of a subsidiary (future subsidiary, if any), in India or outside India, or of a holding company of the Company (if any).

Following persons are not entitled to participate in the ESOS Scheme:

- i. an employee who is a promoter or a person belonging to the promoter group; or
- ii. a Director who either himself/herself or through his relative or through any body corporate, directly or indirectly, holds more than 10% (ten percent) of the outstanding Equity Shares of the Company.

The eligibility of an employee shall be determined by the Nomination & Remuneration Committee as per the eligibility criteria as may be determined by the Board/Remuneration Committee.

d. Requirements of vesting, period of vesting and maximum period within which the Options shall be vested

The Board or the Nomination & Remuneration Committee may, at its discretion, lay down certain criteria including, but not limited to, the performance metrics on the achievement of which the granted Stock Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted can vest, and which may be specified in the respective grant letters / award agreement or the vesting letters to be issued in this regard. The detailed terms and conditions relating to such criteria for vesting, the period over which and the proportion in which the Stock Options granted would vest will be subject to the minimum and maximum vesting period as specified below.

- e. maximum period within which the Options shall be vested:** The Options would vest not earlier than one year or such time period as may be prescribed under the Applicable Law including but not limited to SEBI (SBEB) Regulations or such other period as may be determined by the Nomination & Remuneration Committee.

The vesting schedule (i.e. exact proportion in which and

the exact period over which the Options would vest) would be determined by the Nomination & Remuneration Committee. The Options granted under the Scheme may vest in one or more tranches.

f. Exercise price or pricing formula

Subject to SEBI Regulations, the Nomination & Remuneration Committee shall determine the Exercise Price of the Options Granted under the Plan, as it may deem appropriate in conformity with the applicable accounting policies, if any, provided that the Exercise Price shall not be less than the face value of the Shares and not higher than the prevailing Market Price (on Stock Exchange with highest volume) of the Shares of the Company as on the Grant Date. Exercise Price will be intimated to the Option Holder through the Grant Letter/Award Agreement. No amount shall be payable at the time of Grant of Options. The Exercise Price shall be subject to any fair and reasonable adjustments that may be made on account of Corporate Actions of the Company in order to comply with the SEBI Regulations.

g. Exercise period and the process of exercise

Exercise period would commence from the vesting date and would expire within 6 months of grant or such other period as may be decided by the Nomination & Remuneration Committee. If the Options are not exercised within the exercise period they shall lapse and be cancelled forthwith. The Company shall not have any obligations to the Option holder towards such lapsed Options.

An employee may exercise the vested Options within the exercise period by submitting a written exercise application to the Company accompanied by the payment of an amount equivalent to the exercise price in respect of such Shares and in such manner and on execution of such other documents, as may be prescribed by the Nomination & Remuneration Committee from time to time.

h. The appraisal process for determining the eligibility of employees.

The appraisal process for determining the eligibility of the employees will be specified by the Board or the Nomination and Remuneration Committee from time to time, and will be based on criteria, such as level, role / criticality of the employee, length of service with the Company, work performance, and such other criteria that may be determined by the Board or the Remuneration Committee, as applicable, at its sole discretion.

The Board or the Nomination and Remuneration Committee may decide to extend the benefits of the ESOS Scheme to new entrants or to existing eligible employees on such basis as it may deem fit, in accordance with applicable law.

I Maximum number of Stock Options to be issued per employee and in aggregate

The maximum number of Stock Options to be granted to any eligible employee shall be decided by the Board or Nomination and Remuneration Committee. However, the number of Stock Options that may be granted to a single eligible employee, under the ESOS Scheme during any particular financial year shall be less than 1% of the paid-up equity share capital at the time of grant of Stock Options (which shall be adjusted in lieu of adjustments/re-organisation of capital structure or corporate actions of the Company from time to time).

The aggregate of all such Stock Options under this scheme shall not result into more than **15,00,000 (Fifteen Lakh)** Equity Shares at any time which shall be adjusted in lieu of corporate actions, adjustments/re-organisation of capital structure of the Company from time to time.

j. Maximum quantum of benefits to be provided per employee under the ESOS Scheme

The maximum quantum of benefits underlying the Stock Options granted to an eligible employee shall be equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of Options, on the basis of difference between the Stock Option Exercise Price and the Market Price of the Equity Shares on the exercise date.

k. Whether the ESOS Scheme is to be implemented and administered directly by the Company or through a trust

The Company shall directly implement and administer the ESOS Scheme through the Board / the Nomination & Remuneration Committee as per SEBI (SBEB) Regulations.

l. Whether the ESOS Scheme involves issue of new Equity Shares by the Company or secondary acquisition or both

ESOS Scheme contemplates only issue of new shares by the Company.

m. The amount of loan to be provided for implementation of ESOS Scheme by the Company to the trust, its tenure, utilisation, repayment terms, etc.

Not Applicable. The Company will not provide any loan for implementation of ESOS Scheme to any trust.

n. Maximum percentage of secondary acquisition that can be made by the trust for the purpose of the ESOS Scheme

Not Applicable

o. Disclosure and accounting policies

The Company shall comply with such applicable

disclosure and accounting policies as prescribed in Regulation 15 of by the SEBI ESOP Regulations and those prescribed by the concerned authorities from time to time.

p. Method of Stock Options' valuation

The Company shall use the fair value method or such valuation method as may be prescribed from time to time in accordance with applicable laws for valuation of the Stock Options granted, to calculate the employee compensation cost.

q. Transferability of Stock Options

The Stock Options granted to an eligible employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of a Stock Option holder while in employment, the right to exercise all the Stock Options granted to him till such date shall vest in the legal heir(s) or nominee(s) of such Stock Option holder, in accordance with the provisions of the ESOS Scheme.

r. The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct and the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee.

If an Option holder's employment is terminated with the Company for 'Cause' as specified in the ESOS Scheme (cause includes acts such as misconduct, fraud, misrepresentation etc. as detailed in the ESOP Scheme), then all the vested options (but not exercised) and unvested options shall lapse and be cancelled forthwith. The Company shall not have any obligation towards the Option holder with regard to such lapsed Options. If an Option holder's employment is terminated with the Company for any other reasons other than the 'Cause' (as specified in the ESOS Scheme), then all the unvested Options shall lapse on the date of termination / resignation / superannuation of the employee.

As regards the vested Options, the Option holder shall be entitled to exercise the vested Options within 3 (three) months from the date of termination / resignation / superannuation, failing which such vested Options shall lapse and be cancelled forthwith.

There shall be no further obligation of the Company towards the Option holder with regard to lapsed Options.

s. Lock-in period, if any

There is no lock in period.

t. Other Terms

The Board or Nomination and Remuneration Committee shall have the absolute authority to vary or modify the

terms of the ESOS Scheme in accordance with the regulations and guidelines prescribed by Securities and Exchange Board of India, including in terms of the SEBI ESOP Regulations or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the employees who have been granted Stock Options under the ESOS Scheme.

Regulation 6(1) of SEBI ESOP Regulations requires that every employee stock option scheme shall be approved by the shareholders of the company by passing a special resolution in a general meeting. Further, as ESOS Scheme entails further issue of shares, consent of the shareholders is required by way of a special resolution pursuant to Section 62(1)(b) of the Act.

Accordingly, the Special Resolution set out at Item No. 1 of this Notice is proposed for approval by the shareholders.

The Options to be granted under the ESOS Scheme shall not be treated as an offer or invitation made to public for subscription of securities of the Company.

The ESOS Scheme conforms to the SEBI ESOP Regulations.

Directors / Key Managerial Personnel of the Company / their relatives who may be granted Options under ESOP Scheme may be deemed to be concerned or interested in the Special Resolution at Item No. 1 of this Notice.

Save as aforesaid, none of the Directors/ Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the said Special Resolution.

The Board recommends Special Resolution mentioned in item no 1 of the Notice for approval of the shareholders of the Company.

Place: Mumbai
Date: January 30, 2021

By order of the Board
Ashitosh Sheth
Company Secretary
Membership No.: A25997

Registered Office of the Company:

Plot no.1, Survey No.374/1/1,
Village Saily, Silvassa - 396230,
U.T of Dadra & Nagar Haveli

CIN: L99999DN1983PLC000045

Phone: 91 260 2640596, Fax: 91 260 2640597.

Email: www.aymsyntex.com