



SHALBY LIMITED

CIN: L85110GJ2004PLC044667

Registered Office: Shalby Multi-Specialty Hospitals, Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380 015, Gujarat.

Corporate Office: B-301 & 302, Mondeal Heights, S. G. Road,
Ahmedabad – 380015, Gujarat.

Tel: 91 79 4020 3000,

Website: www.shalby.org, **E-mail:** companysecretary@shalby.in

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended]

To
The Members of Shalby Limited

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”), read together with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”), Clause 16 of the Secretarial Standard – 2 (“SS-2”) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) including any statutory modification or re-enactment thereof for the time being in force, that Shalby Limited (hereinafter referred to as the “Company”) is seeking the approval of the members by way of Special Resolutions, for the matters as considered in the resolutions appended below, by way of postal ballot, only through remote e-voting.

The Ministry of Corporate Affairs, Government of India (“MCA”) in terms of the General Circular No. 33/2020 dated September 28, 2020 read with General Circular No.14/2020 dated 8th April, 2020 General Circular No. 17/2020 dated April 13, 2020, and General Circular No. 39/2020 dated December 31, 2020, (the “MCA Circulars”), in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, have 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.

In compliance with the provisions of Sections 108 and 110 of the Act read with Rules 20 and 22 of the Management Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as the “SEBI Listing Regulations”) and as per the guidelines issued by the MCA vide MCA Circulars, the Notice would be sent in electronic mode only to all those shareholders who have registered their e-mail addresses with the Company or Depository Participant / Depository / KFin Technologies Private Limited, the Company’s Registrar & Transfer Agent (hereinafter referred as “RTA”). Further, the shareholders would have the option to vote only through remote e-voting and voting through physical ballot papers will not be provided.

The Company has engaged the services of National Securities Depository Limited for providing E-voting facility to the Members of the Company, enabling them to cast their vote in a secure manner.

The members holding equity shares of the Company are requested to carefully read all the instructions given in the notes.

The Company is desirous of seeking your consent for the proposal as contained in the Resolutions given hereinafter. The Explanatory Statement pursuant to Sections 102 and 110 of the Act pertaining to the said Resolutions setting out the material facts concerning the same and the reasons thereof are annexed hereto for your consideration.

The Board of Directors of the Company (the “Board”) at its meeting held on October 26, 2021, in compliance with Rule 22(5) of the Companies (Management and Administration) Rules, 2014, appointed Mr. Chintan Patel, (CP No. 20103), Proprietor, M/s. Chintan I Patel & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the Postal Ballot/E-voting process in a fair and transparent manner. Please note that there will be no physical meeting of the Members of the Company as no meeting will be required to be called in terms of the MCA Circulars.

The Scrutinizer will submit his report to the Chairman of the meeting or to the person authorized by him relating to e-voting in a fair and transparent manner. The results of the postal ballot/e-voting will be announced not later than two working days of the closure of the e-voting i.e., on or before Monday, December 6, 2021, at the Registered office of the Company and will be displayed at the Registered as well as Corporate office of the Company and intimated/communicated to BSE Limited (the “BSE”) and National Stock Exchange of India Limited (the “NSE”) (hereinafter collectively referred to as the “Stock Exchanges”) where the equity shares of the Company are listed.

The resolutions, if passed by requisite majority, will be taken as passed effectively on the last date specified by the Company for e-voting, i.e., Friday, December 3, 2021. The members are requested to consider and, if thought fit, pass the following resolutions:

SPECIAL BUSINESS

Item No. 1 : TO REAPPOINT MR. UMESH MENON (DIN: 00086971) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of section 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligation and Requirements) Regulations, 2015, as amended from time to time, Mr. Umesh Menon (DIN: 00086971), who holds office of the Independent Director till December 19, 2021, be and is hereby re-appointed as an Independent Director of the Company, not liable to be retire by rotation, to hold office for second term of five consecutive years, commencing from December 20, 2021 till December 19, 2026.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, and execute all such documents, appointment letters, instruments and writings as may be necessary, proper and expedient or incidental, including filing of requisite forms, reports, returns, and documents with appropriate authorities, to give effect to this resolution.”

Item No. 2 : TO REAPPOINT MR. TEJ MALHOTRA (DIN: 00122419) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of section 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligation and Requirements) Regulations, 2015, as amended from time to time, Mr. Tej Malhotra (DIN: 00122419), who holds office of the

Independent Director till February 22, 2022, be and is hereby re-appointed as an Independent Director of the Company, not liable to be retire by rotation, to hold office for second term of five consecutive years, commencing from February 23, 2022 till February 22, 2027.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, and execute all such documents, appointment letters, instruments and writings as may be necessary, proper and expedient or incidental, including filing of requisite forms, reports, returns, and documents with appropriate authorities, to give effect to this resolution.”

Item No. 3: TO APPROVE SHALBY LIMITED EMPLOYEES STOCK OPTIONS SCHEME 2021 (“SHALBY ESOP 2021”)

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), Regulation 6(1) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**“SEBI (SBEB & SE) Regulations”**), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI (LODR) Regulations”**), the Foreign Exchange Management Act, 1999 read with relevant rules, regulations, directions, notifications and clarification issued thereunder (**“FEMA”**), relevant provisions of Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded for approval of Shalby Limited Employees Stock Options Scheme – 2021(**“Scheme”**) and the Board of Directors (*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 and to create, grant, offer, issue and allot under the Scheme, in one or more tranches 1,000,250 (One Million Two Hundred and Fifty) 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 or for the benefit of:

- (a) an Employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
- (c) an employee as defined in sub-clauses (a) or (b), of a group company including subsidiary or its associate company, in India or outside India, of the company, or of a holding company of the Company

but does not include

- (i) an employee who is a promoter or a person belonging to the promoter group; or

- (ii) 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 1,000,250 (One Million Two Hundred and Fifty) Equity Shares of face value ₹ 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 (**“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 & SE) 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 Private Trust, as set up by the Company by the name Shalby Limited Employees Welfare Trust (**“Trust”**), shall acquire the shares of the Company either by way of direct allotment from the Company and/or Secondary acquisition from the market and will follow cash mechanism.

RESOLVED FURTHER THAT out of the overall pool of 1,000,250 (One Million Two Hundred and Fifty) Shares, the Trust may acquire such quantity of Shares by the way of secondary acquisition and/or by fresh allotment as decided by the Committee, from time to time.

RESOLVED FURTHER THAT the new Equity Shares, if any, to be issued and allotted by the Company under the Scheme shall rank pari passu in all respects with the then existing Equity Shares 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 with the SEBI (SBEB & SE) Regulations and other applicable laws, rules and regulations, be and are hereby authorized at any time 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 and further 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 and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised 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 are 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 are authorized to do for the purpose of giving effect to this resolution.”

Item No. 4: TO APPROVE GRANT OF STOCK OPTIONS TO THE EMPLOYEES OF GROUP COMPANY INCLUDING SUBSIDIARY OR ITS ASSOCIATE COMPANY, IN INDIA OR OUTSIDE INDIA, OF THE COMPANY, OR OF A HOLDING COMPANY OF THE COMPANY UNDER SHALBY LIMITED EMPLOYEES STOCK OPTIONS SCHEME – 2021

To consider and, if thought fit, to pass, the following resolution, as **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 (including any statutory modification(s) or re-enactment thereof), Regulation 6(3)(c) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**“SEBI (SBEB & SE) Regulations”**), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI (LODR) Regulations”**), the Foreign Exchange Management Act, 1999 read with relevant rules, regulations, directions, notifications and clarification issued thereunder (**“FEMA”**), relevant provisions of Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded to extend the benefits of Shalby Limited Employees Stock Options Scheme – 2021 (**“Scheme”**) including the grant of Employee Stock Options (**“Options”**) and issuance of Equity Shares (**“Shares”**) thereunder, to such Employee(s), who has been designated as an Employee, who is exclusively working in India or outside India; or, a director, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; of a group company including subsidiary or its associate company, in India or outside India, of the company, or of a holding company of the Company but does not include 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 new Equity Shares, if any, to be issued and allotted by the Company under the Scheme shall rank pari passu in all respects with the then existing Equity Shares 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 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: TO APPROVE ACQUISITION OF EQUITY SHARES BY WAY OF SECONDARY ACQUISITION UNDER SHALBY LIMITED EMPLOYEES STOCK OPTIONS SCHEME – 2021

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)(a) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**“SEBI (SBEB & SE) Regulations”**), 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, if any, 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 upto **1,000,250 (One Million Two Hundred and Fifty)** Equity Shares (**“Shares”**) of the Company by Shalby 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 / Committee, for the purpose of implementation of the Shalby Limited Employees Stock Options Scheme – 2021 (**“Scheme”**) and in due compliance with the provisions of the SEBI (SBEB & SE) Regulations.

RESOLVED FURTHER THAT the total number of Shares under secondary acquisition held by the Trust in pursuance to the Scheme or any other share based Employee benefit plan implemented in the past, shall at no time, exceed 5 (five) percent of the Paid-up Equity Capital of the Company in due compliance with the provisions of the SEBI (SBEB & SE) Regulations.

FURTHER RESOLVED 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 & SE) 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 Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI (SBEB & SE) 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 & SE) 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 and / or Nomination and Remuneration Committee designated as Compensation Committee be and is hereby severally 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.

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. 6: TO MAKE PROVISION OF MONEY BY THE COMPANY FOR PURCHASE OF ITS OWN SHARES BY THE TRUST / TRUSTEES FOR THE BENEFIT OF EMPLOYEES UNDER SHALBY LIMITED EMPLOYEES STOCK OPTIONS SCHEME - 2021

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

RESOLVED THAT pursuant to the provisions of Section 67(3), 62(1)(b) of the Companies Act, 2013, Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 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 and Sweat Equity) Regulations, 2021 (“**SEBI (SBEB & SE) 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 from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or 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 Shalby Limited Employees Welfare Trust (“**Trust**”), 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 Shalby Limited Employees Stock Options Scheme – 2021 (“**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 purchase 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 & SE) Regulations, Companies Act, 2013 and any other applicable laws and regulations.

RESOLVED FURTHER THAT the above limit of 5% shall be taken on consolidated basis for all Employee Benefit Scheme(s) as may be undertaken by the Company from time to time.

RESOLVED FURTHER THAT any loan provided by the Company shall be interest free and shall be repayable by the Trust in quarterly intervals subject to availability of the funds received pursuant to exercise of stock options under the Scheme and in accordance with the relevant provisions of the applicable laws & regulations.

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.

“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.”

Place : Ahmedabad
Date : October 26, 2021

By Order of the Board of Directors

Regd. Office: Shalby Multi-Specialty Hospitals,
Opp. Karnavati Club
S. G. Road, Ahmedabad 380015

Tushar Shah
AVP & Company Secretary
Mem. No.F7216

Notes:

1. An explanatory statement pursuant to Section 102 and Section 110(1) of the Companies Act read with the Companies (Management and Administration) Rules, 2014, setting out the material facts and reasons for the resolution in respect of the special business set out above is annexed hereto. A copy of the Postal Ballot Notice is also available on the website of the Company at <https://www.shalby.org/> and on the website of National Securities Depository Limited (NSDL) and at the relevant sections of the websites of the Stock Exchanges on which the shares of the Company are listed.
2. The Company has fixed October 29, 2021 as “Cut-off” date for determining members, who will entitled to receive Postal Ballot Notice and eligible for e-voting. The Postal Ballot notice is being sent by email to all the Members of the Company whose name appears in the Register of Members/List of Beneficial Owners, as maintained by National Securities Depository Limited (“NSDL”)/Central Depository Services (India) Limited (“CDSL”) as on the Cut-off Date and who have registered their e-mail addresses in respect of electronic holdings with NSDL/CDSL through the concerned Depository Participants and in respect of physical holdings with the Company’s RTA. Only those members whose names are recorded in the Register of Members of the Company or in the list of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by Postal Ballot or e-voting. A person who is not a Member as on the Cut-off Date shall treat this notice for information purposes only. Each Member’s voting rights shall be in proportion to his/her share of the paid-up equity share capital of the Company as on Cut-off date.
3. Members who have not registered their e-mail addresses either with the Company’s RTA or their Depository Participant (“DP”) are requested to follow the process specified herein below at point no. 10(B), for procuring user ID and password for e-voting for the resolution set out in this Postal Ballot notice.

4. Dispatch of the Notice shall be deemed to be completed on the day on which National Securities Depository Limited sends out the communication for the postal ballot process by an e-mail to the members of the Company.
5. The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date specified by the Company for E-voting, i.e., December 3, 2021. Further, resolution passed by the Members through E-voting is deemed to have been passed effectively at a general meeting.
6. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, read with the MCA Circulars and the SEBI Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Gujarati daily newspaper circulating in Ahmedabad where the registered office of the Company is situated (in vernacular language, i.e., Gujarati).
7. In compliance with the provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act read with rules made there under, Regulation 44 of the SEBI Listing Regulations, SS-2 and the MCA Circulars, and any amendments thereto, the Company is providing E-voting facility to all the Members of the Company to enable them to cast their votes electronically on all the items mentioned in the Notice. For this purpose, the Company has engaged the services of NSDL and has made necessary arrangements with the NSDL to facilitate E-voting. In terms of the MCA Circulars, voting will be done only by E-voting. As the E-voting does not require a person to attend to a meeting physically, the Members are strongly advised to use the E-voting procedure by themselves and not through any other person/ proxies. The detailed procedure with respect to E-voting is as follows.
8. In view of the current circumstances prevailing due to COVID-19 pandemic and in furtherance to the MCA Circulars, the physical copy of Postal Ballot Notice, Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot.

9. Voting through electronic means:

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, as amended, the Company is pleased to provide to the Members, facility of 'remote-voting' to exercise their right to vote for the Postal Ballot resolutions and accordingly, business as mentioned in this Notice shall be transacted through e-voting. Necessary arrangements have been made by the Company with NSDL to facilitate e-voting. The Company has appointed Mr. Chintan Patel, Practicing Company Secretary (CP no. 20103), to act as Scrutinizer for conducting the voting and e-voting process in a fair and transparent manner.
- b. The remote e-voting period shall commence on November 4, 2021, at 9:00 a.m. and ends on December 3, 2021. During this period, the members of the Company, holding shares either in physical form or dematerialised form, as on the cut-off date i.e. October 29, 2021, may cast their votes by remote e-voting. Once vote on a resolution is cast by the member, he/ she shall not be allowed to change it subsequently or cast the vote again. The remote e-voting module shall be disabled for voting after 5:00 p.m. on December 3, 2021.
- c. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

10. PROCESS OF E-VOTING

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="561 495 1377 911">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period. <li data-bbox="561 947 1377 1073">2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com/. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="561 1108 1377 1524">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	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 user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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.
 - c) How to retrieve your ‘initial password’?
 - (i) 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'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) 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.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) 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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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 cschintan.mba@gmail.com with a copy marked to evoting@nsdl.co.in.
2. 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 User Details/Password?**” or “**Physical User Reset Password?**” option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to companysecretary@shalby.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (companysecretary@shalby.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“**Companies Act**”) sets out the material facts relating to the special business mentioned in the accompanying Postal Ballot Notice dated October 26, 2021 (the “**Postal Ballot Notice**”) and necessary information or details in respect of the proposed resolutions in terms of the Companies Act, the Rules made thereunder, and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**SEBI ICDR Regulations**”).

Item No. 1:

In terms of provisions under section 149,150,152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligation and Requirements) Regulations, 2015, as amended from time to time, Mr. Umesh Menon (DIN: 00086971), was appointed as an independent director of the Company for his first term of five consecutive years, at Extra Ordinary General Meeting of the Company held on February 6, 2017 and holds office of the independent director till December 19, 2021.

The Board of Directors at its meeting held on October 26, 2021, upon the recommendation of the Nomination and Remuneration Committee and Based on the consent and other disclosures received from him, have approved his re-appointment as an Independent Director for the second term of 5 years w.e.f. December 20, 2021 till December 19, 2026.

In view of enriched experience of Mr. Menon and his contribution in the growth of the Company, the approval of members by way of Special resolution is being sought to re-appoint Mr. Menon as an Independent Director of the Company for second term of 5 years. The Board, accordingly recommends the members for passing of the resolution(s) set out in item no. 1 of the Postal Ballot Notice as a Special Resolution.

Mr. Menon is not related in any capacity whether directly or indirectly with any other Director, Manager and Key Managerial Personnel (KMP) of the Company.

Mr. Menon is not debarred or disqualified from being re-appointed or continuing as a director of the Company by the Board, MCA or any such statutory authority in terms of SEBI circular no LIST/COMP/14/2018-19 dated June 20, 2018.

Except Mr. Umesh Menon, none of the Directors, Key Managerial Personnel of the Company, or their relatives are in anyway concerned or interested in the resolution.

Information required pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Directors seeking appointment / re-appointment is set out below:

Name of Director	Mr. Umesh Menon [DIN : 00086971]
Age in completed years	50
Date of first appointment on the Board	20/12/2016
Qualification / Brief Resume / Expertise in specific functional area/ experience	Mr. Umesh Menon, aged 50 years, is an Independent Director of our Company. He holds a bachelor’s degree in Commerce from Gujarat University, a master’s degree in Commerce from Gujarat University and a master’s degree in Business Administration with Specialisation in Finance from B. K. School of Business Management, Ahmedabad. He is also a Fellow member of the Institute of Cost Accountants of India. He has been conferred with the Doctorate (PhD) in

	Management degree from Calorx Teachers' University of Ahmedabad. He has rich experience in the areas of finance and cost accounting. He is currently on the Board of Directors of Varis Management Services Private Limited. He is a regular Visiting Faculty at Emirates Foundation and an International Expert & Trainer for United Nations Industrial Development Organisation.		
No. of Shares held in the Company	2,000 equity shares		
Relationship with other Directors and Key Managerial Personnel	None		
No of meetings of the Board attended during the year	FY 2020-21: Six out of Six meetings FY 2021-22 : Four out of Four meeting upto October 26, 2021		
Directorships	1. Shalby Limited 2. Varis Management Services Private Limited 3. Hubzone for Technology Innovation Foundation		
Chairmanship / Membership of Committees of companies	Name of Company	Name of Committee	Chairman / Member
	Shalby Limited	AC	Chairman
		SRC	Member
		NRC	Chairman
		CSR	Member
	Varis Management Services Private Limited	-	-
Hubzone For Technology Innovation Foundation	-	-	
*Abbreviation AC – Audit Committee. SRC – Stakeholder Relationship Committee NRC – Nomination and Remuneration Committee. CSR – Corporate Social Responsibility Committee.			

Item No. 2:

In terms of provisions of section 149,150,152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India(Listing Obligation and Requirements) Regulations, 2015, as amended from time to time, Mr. Tej Malhotra (DIN: 00122419), was appointed as an independent director of the Company for his first term of five consecutive years, at Extra Ordinary General Meeting of the Company held on February 23, 2017 and holds office of the independent director till February 22, 2022.

The Board of Directors at its meeting held on October 26, 2021, upon the recommendation of the Nomination and Remuneration Committee, have approved his re-appointment as an Independent Director for the second term of 5 years w.e.f. February 23, 2022 till February 22, 2027.

In view of enriched experience of Mr. Tej Malhotra and his contribution in the growth of the Company, the approval of members by way of special resolution is being sought to re-appoint Mr. Tej Malhotra as an Independent Director of the Company for second term of 5 years. The Board, accordingly recommends the members for passing of the resolution(s) set out in item no. 2 of the Postal Ballot Notice as a Special Resolution.

In terms of sub-regulation (1A) to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”) as amended, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Independent Director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person. As currently, the age of Mr. Malhotra is 71 years and is proposed to be appointed as Non-Executive Independent Director for a period of 5 years, his continuance with the Company may attract the provisions of regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 at a future, when Mr. Malhotra attain the age of 75 years. It is, therefore, recommended to members of the Company to give their approval under the said regulation also.

Mr. Malhotra is not related in any capacity whether directly or indirectly with any other Director, Manager and Key Managerial Personnel (KMP) of the Company.

Mr. Malhotra is not debarred or disqualified from being re-appointed or continuing as a director of the Company by the Board, MCA or any such statutory authority in terms of SEBI circular no LIST/COMP/14/2018-19 dated June 20, 2018.

Except Mr. Tej Malhotra, none of the Directors, Key Managerial Personnel of the Company, or their relatives are in anyway concerned or interested in the resolution.

Information required pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Directors seeking appointment / re-appointment is set out below:

Name of Director	Mr. Tej Malhotra [DIN : 00122419]
Age in completed years	71 years
Date of first appointment on the Board	23/02/2017
Qualification / Brief Resume / Expertise in specific functional area/ experience	Mr. Tej Malhotra, aged 71 years, is an Independent Director of our Company. He holds a bachelor’s degree in Mechanical Engineering from Sambalpur University, Odisha. He has over four decades of experience in industries both in India and abroad. Previously, he held the positions of Senior Executive Director at GHCL Limited, Technical Director at Idea Soda Ash and Calcium Chloride Company of Saudi Arabia and Executive Engineer (Mechanical) at Hindustan Copper Limited. He has been awarded the ‘Bhartiya Udyog Ratan’ award by the Indian Economic Development and Research Association, the ‘Bhartiya Gaurav’ award by the World Economic Progress Society and ‘Darbari Seth Award 2009’ by the Alkali Manufacturers of India for best managed soda-ash plant.
No. of Shares held in the Company	1,755 Equity Shares
Relationship with other Directors and Key Managerial Personnel	None
No of meetings of the Board attended during the year	FY 2020-21: Six out of Six meetings FY 2021-22 : Four out of Four meeting upto October 26, 2021
Directorships	Shalby Limited

Chairmanship / Membership of Committees of companies	Name of Company	Name of Committee	Chairman / Member
	Shalby Limited		AC
		SRC	--
		NRC	--
		CSR	--

*Abbreviation
AC – Audit Committee. SRC – Stakeholders Relationship Committee
NRC – Nomination and Remuneration Committee. CSR – Corporate Social Responsibility Committee.

Item No. 3, 4 and 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 has in its meeting held on October 26, 2021, approved Shalby Limited Employees Stock Options Scheme – 2021 (“*Scheme*”) to or for the benefit of such Employee as defined in the Scheme.

In terms of Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (“**SEBI (SBEB & SE) Regulations**”) and Section 62 and other applicable provisions of the Companies Act, 2013, for issue of Shares to Employees of the Company under an Employee Stock Options Scheme requires an approval of the existing Members by way of Special Resolution.

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 & SE) Regulations, approval of the shareholders by way of separate Special Resolution is required for grant of Options to Employees of Group Company including Subsidiary or its Associate company, in India or outside India, of the Company, or of a Holding company of the Company. 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 & SE) 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 & SE) Regulations are as under:

1. Brief Description of the Scheme:

The Scheme shall be called as Shalby Limited Employees Stock Options Scheme – 2021.

The Purpose of the Scheme includes the following:

- 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. The total number of Stock Options to be granted under the Scheme:

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 1,000,250 (One Million Two Hundred and Fifty) which shall be convertible into equal number of Shares.

Out of the overall pool of 1,000,250 (One Million Two Hundred and Fifty) Shares, the Trust may acquire such quantity of Shares by the way of secondary acquisition and/or by fresh allotment as decided by 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).

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.

Further, the maximum number of Options that can be granted and the Equity 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 in the Scheme:

- (a) An Employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) A director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
- (c) an employee as defined in sub-clauses (a) or (b), of a group company including subsidiary or its associate company, in India or outside India, of the company, or of a holding company 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 equity shares of the company.

4. Requirement of Vesting and period of Vesting:

Vesting period shall commence from the grant date and shall be minimum of 1 (One) year from the grant date and it may extend upto maximum of 3 (Three) years from the grant date, at the discretion of and in the manner prescribed by the Board of Directors.

Provided further that in the event of death or permanent incapacity of a Grantee, the minimum vesting period of one year shall not be applicable and in such instances, the Options shall vest in terms of SEBI (SBEB & SE) Regulations, on the date of the death or permanent incapacity.

Vesting of Options can vary from Grantee to Grantee as per the discretion of the Board of Directors / Nomination and Remuneration Committee whose decision shall be final and binding.

The vesting would be subject to the continued employment of the Grantee.

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

Maximum period within which the Options shall be vested is 3 (Three) years from the grant date.

6. Exercise Price or Pricing Formula:

Under this Scheme, the exercise price of the Shares will be decided by the Board of Directors / Nomination and Remuneration Committee and will either be:

- i. In case the Shares acquired by the Trust is from secondary acquisition then the exercise price will be decided on the basis of the average purchase price of the Shares of the Trust or the market price.
- ii. In case the Shares acquired by the Trust is from fresh allotment then the exercise price will be based upon market price.

The Board of Directors has a power to provide suitable discount or charge premium 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.

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. means the date of the meeting of the Nomination and Remuneration Committee on which the grant is made.

Explanation – As the Equity Shares of the Company are listed on more than one stock exchange, the closing price on the stock exchange having higher trading volume shall be considered as the market price.

7. Exercise period and process of Exercise:

After vesting, Options can be exercised within 1 (One) year from the date of last vesting, through cash mechanism after submitting the exercise application along with payment of the exercise price, applicable taxes and other charges, if any. The Vested Options can only be exercised wholly and not in part

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

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

The Board of Directors may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the grant 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 in the Company / Group Company / Holding Company / Subsidiary Company.
- Performance of Employee: Employee's performance during the financial year in the Company / Group Company / Holding Company / Subsidiary Company on the basis of decided parameters.
- Performance of Company: Performance of the Company as per the standards set by the Nomination & Remuneration Committee / Board of Directors.
- Any other criteria as decided by the Nomination & Remuneration Committee in consultation with 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 may be granted pursuant to the Scheme shall not exceed 1,000,250 (One Million Two Hundred and Fifty) which shall be convertible into equal number of Equity Shares.

The maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceeding 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.

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 the Trust shall acquire the Shares either from:

- a) Secondary acquisition
- b) Fresh allotment from the Company.

The Scheme shall be administered by the Nomination and Remuneration Committee which shall delegate the administrative powers to the Trust 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 / Fresh 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 interest free 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 loan shall be repayable by the Trust in quarterly intervals subject to availability of the funds received pursuant to exercise of stock options under the Scheme and in accordance with the relevant provisions of the applicable laws & regulations. 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 Grantees (*Employee to whom Options have been granted under the Scheme*) and the accruals of the Trust at the time of duration or 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 in pursuance to the Scheme or any other share based Employee benefit plan implemented in the past, shall at no time, exceed 5 (five) percent of the Paid-up Equity Capital of the Company as at the end of the financial year immediately prior to the year in which the Shareholder approval is obtained for such secondary acquisition in due compliance with the provisions of the SEBI (SBEB & SE) Regulations.

The Trust shall acquire the Shares subject to the limits as prescribed under SEBI (SBEB & SE) Regulations, from time to time.

Further, the maximum number of Equity Shares that the Trust can acquire under the Scheme is 1,000,250 (One Million Two Hundred and Fifty).

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 & SE) 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 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

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.

18. Period of lock-in:

The Shares transferred to the Employees pursuant to exercise of Options may be put under lock-in for a maximum period of 2 (Two) years from the date of transfer at the discretion of the Board of Directors / Nomination and Remuneration Committee.

19. Terms & conditions for buyback, if any, of specified securities:

The Board of Directors / Nomination and Remuneration Committee will specify the procedure for buy-back of Options

granted, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- (i) permissible sources of financing for such buy-back;
- (ii) minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- (iii) quantum of options that the Company may buy-back in a financial year.

In terms of Section 62 of the Companies Act, 2013 and Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2011, the approval of the Shareholders is sought by way of Special Resolution for the approval of the Shalby Limited Employees Stock Options Scheme – 2021 and transfer of existing Shares under this Scheme.

Therefore, your Directors recommend the resolutions as set out at item no. 3, 4 and 5 for your approval as Special Resolutions.

None of the Directors, Manager, Key Managerial Personnel of the Company, or their relatives are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options may be granted under the Scheme.

Shalby Limited Employees Stock Options Scheme – 2021 and other documents referred to in the aforesaid resolutions are available for inspection electronically in the Investors Section of the website of the Company www.shalby.org

Item No. 6

In order to execute Shalby Limited Employees Stock Options Scheme – 2021 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 Companies (Share Capital and Debenture) Rules, 2014, are as under:

1.	The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares.	<p>(a) An Employee as designated by the Company, who is exclusively working in India or outside India; or</p> <p>(b) A director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or</p> <p>(c) an employee as defined in sub-clauses (a) or (b), of a group company including subsidiary or its associate company, in India or outside India, of the company, or of a holding company of the Company</p> <p style="text-align: center;">but does not include</p> <p>(a) an employee who is a promoter or a person belonging to the promoter group; or</p>
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		(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 equity shares of the company.
(d)	The particulars of the Trustee or Employees in whose favor such Shares are to be registered.	Name of the Trust: Shalby Limited Employees Welfare Trust Name of the Trustees: 1) Mr. Divyakant Kansara 2) Mr. Nareshkumar Rebari 3) Mr. Nayan Parmar
(e)	Particulars of Trust.	Name of the Trust: Shalby Limited Employees Welfare Trust Address of the Trust: Shalby Hospitals, Opp. Karnavati Club, S. G. Road, Ahmedabad 380015
(f)	Name, Address, Occupation and Nationality of Trustees.	1. Name: Mr. Divyakant Kansara Address: R/o 981, Ravaliya Street, Mandvi Ni Pole, Manekchowk, Ahmedabad 380001, Gujarat Occupation: Service Nationality: Indian 2. Name: Mr. Nareshkumar Rebari Address: R/o Sipur Dhani, Mallara, Udaipur – 313026, Rajasthan Occupation: Service Nationality: Indian 3. Name: Mr. Nayan Parmar Address: 28, Sahaj Bunglows, Moraiya Gam Road, Nr. Sarvoday Hotel, Changodar Bavla Highway, Changodar, Ahmedabad 382213 Occupation: Service Nationality: Indian
(g)	Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.	None
(h)	Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.	The Key Managerial personnel and Directors are interested in the Shalby Limited Employees Stock Options Scheme – 2021 only to the extent, to the Options that may be granted to them, if any, under the Scheme.
(i)	The detailed particulars of benefits which will accrue	a. To motivate the Employees to contribute to the growth and profitability of the Company.

	<p>to the Employees from the implementation of the Scheme</p>	<p>b. To retain the Employees and reduce the attrition rate of the Company.</p> <p>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.</p> <p>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</p> <p>e. To provide additional deferred rewards to Employees.</p> <p>Further, the Employees will be entitled to exercise the options granted to them at the exercise price during the exercise period pursuant to Shalby Limited Employees Stock Options Scheme –2021.</p>
<p>8.</p>	<p>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</p>	<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 Shalby Limited Employees Stock Options Scheme – 2021.

Therefore, your Directors recommends the Resolutions as set out at item no. 6 for your approval by way of Special Resolution.

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 that may be granted under the said Scheme.

Place : Ahmedabad
Date : October 26, 2021

By Order of the Board of Directors

Regd. Office: Shalby Multi-Specialty Hospitals,
Opp. Karnavati Club
S. G. Road, Ahmedabad 380015

Tushar Shah
AVP & Company Secretary
Mem. No.F7216