



AMI ORGANICS LIMITED

AMI ORGANICS LIMITED

Corporate Identity Number: L24100GJ2007PLC051093

Registered Office: Plot No. 440/4, 5 & 6, Road No. 82/A, GIDC Sachin, Surat – 394 230 Gujarat, India

Telephone: +91 72279 77744 / 75730 15366

Email: investorinfo@amiorganics.com Website: www.amiorganics.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given that pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 (the “**Companies Act**”) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the “**Company Rules**”), Secretarial Standard - 2 on General Meetings (the “**SS-2**”), read with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, read with other relevant circulars including General Circular No. 20/2021 dated December 8, 2021, General Circular No.3/2022 dated May 5, 2022 and General Circular No.11/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs (“**MCA Circulars**”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and other applicable provisions, of the Companies Act, rules, regulations, circular and notification (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the resolution as set out hereunder is proposed for approval of the members of Ami Organics Limited (the “**Company**” or “**AOL**”) as Special Resolution, by way of Postal Ballot only through remote e-voting i.e. voting through electronic means (“**Remote e-Voting**”).

Pursuant to Section 102 and Section 110 and other applicable provisions of the Act, the statement pertaining to the said Resolution setting out the material facts and the reasons/rationale thereof is annexed to this Postal Ballot Notice for your consideration and forms part of this Postal Ballot Notice (‘Notice’).

In compliance with the requirements specified in the MCA Circulars, the Company is sending this Notice only in electronic form to those Members whose e-mail addresses are registered with the Company/Depositories. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope is not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would take place only through the remote e-voting system.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Section 108 and Section 110 of the Act read with the Rules, the MCA Circulars and SS-2, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. The Company has engaged the services of Link Intime India Private Limited (‘LI IPL’) for the purpose of providing remote e-voting facility to its Members. The instructions for remote e-voting are appended to this Notice. The Notice is also available on the website of the Company www.amiorganics.com.

The Company has made necessary arrangements with Registrar and Share Transfer Agent, Link Intime India Private Limited (“**RTA**”) to enable the members to register their e-mail address. Those Members who have not yet registered their e-mail address are requested to register the same by following the procedure set out in this Postal Ballot Notice.

Members desiring to exercise their vote through the remote e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice for casting of votes by remote e-voting starting at 9.00 a.m. (IST) on Saturday, May 6, 2023 and not later than 5.00 p.m. (IST) on Sunday, June 4, 2023. The remote e-voting facility will be disabled by LI IPL immediately thereafter.

The last date of e-voting, i.e. Sunday, June 4, 2023, shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

SPECIAL BUSINESS:

1. To Approve the Execution of Ami Organics Employees' Stock Option Scheme 2023 ("ESOS 2023")

In this regard 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 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time ["SEBI (SBEB and Sweat Equity) Regulations"] and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Shareholders of the Company ("Shareholders") be and is hereby accorded to the 'Ami Organics Employees' Stock Option Scheme 2023' ("ESOS 2023") / ("Plan/Scheme") and to the Board to create, offer, issue, reissue, grant (permitted under applicable laws) in terms of the ESOS 2023, equity shares on exercise of options, issue fresh options, re-issue options that may have lapsed/cancelled/surrendered, already approved under the ESOS 2023, not exceeding 3,64,370 (Three Lakhs sixty four thousand three hundred and seventy) employee stock options ("Options"), in one or more tranches, from time to time, to such person(s) who are in the employment or service of the Company or any of its Subsidiary(ies) or Associate Company(ies) on exclusive basis, whether in or outside India, including any Director, whether whole-time or not (other than employees/ Directors who are Promoters or belonging to the promoter group, Independent Directors and Directors holding directly or indirectly more than ten (10%) percent of the outstanding equity shares of the Company), subject to their eligibility as may be determined under the scheme, at such price or prices, and on such terms and conditions, as may be determined by the Board / Committee in accordance with the provisions of the Scheme, SEBI (SBEB and Sweat Equity) Regulations and in due compliance with other applicable laws and regulations."

"RESOLVED FURTHER THAT the Board / Committee is hereby authorised to facilitate the allotment of the equity shares as per the terms of the ESOS 2023 upon exercise of options from time to time in accordance with the ESOS 2023 and the shares so allotted shall rank pari passu in all respects with the existing equity shares of the Company."

"RESOLVED FURTHER THAT the Board / Committee be and is hereby also authorised at any time to modify, change, vary, alter, amend, suspend or terminate the ESOS 2023 subject to consent of the members by way of a special resolution to the extent required under the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders 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 in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organisation etc. requisite adjustments which may include adjustments to the number of options in the ESOS 2023 shall be appropriately made, in a fair and reasonable manner in accordance with ESOS 2023."

“RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the ESOS 2023 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- (Rupees Ten) 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 option grantees.”

“RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time to time under the SEBI (SBEB and Sweat Equity) Regulations, and any other applicable laws and regulations to the extent relevant and applicable to the ESOS 2023.”

“RESOLVED FURTHER THAT the Board / Committee be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the ESOS 2023 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.”

“RESOLVED FURTHER THAT the Board / Committee be and is hereby also authorised to appoint a Merchant Banker who shall be involved or concerned in the exercise, issue and re-issue of options under the ESOS 2023 and such Merchant Banker will be remunerated by way of commission, brokerage, fees or the like.”

“RESOLVED FURTHER THAT any Director of the Company, and Company Secretary of Company, be and are hereby severally authorized on behalf of the Company to sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as they may in their absolute discretion deem fit or necessary or desirable for such purpose, and make all necessary filings including but not limited to making applications to any regulatory/ governmental authority/ third parties, as may be required, and to the Stock Exchanges to seek their in-principle and final approval for the listing and trading of equity shares allotted pursuant to ESOS 2023, in accordance with the provisions of SEBI (SBEB and Sweat Equity) Regulations/ SEBI Listing Regulations, applicable provisions under the Act and the rules framed thereunder and other applicable laws, and to do all such acts, deeds, matters and things as may be required to be done to give effect to the afore-said resolution and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

“RESOLVED FURTHER THAT all actions taken by the Board / Committee in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.”

By order of the Board of Directors

For Ami Organics Limited

Sd/-

CS Ekta Kumari Srivastava

Company Secretary & Compliance Officer

Membership No.: ACS 27323

Date: April 22, 2023

Place : Surat

NOTES:

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration) Rules, 2014 setting out all the material facts and reasons in respect of the business set out at Resolution No. 1 in the Postal Ballot Notice dated April 22, 2023 is annexed hereto and forms part of Postal Ballot Notice.
2. In compliance with the provisions of Sections 102, 108 and 110 of the Act and Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ('the Rules'), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is pleased to provide voting by electronic means ('remote e-voting') facility to the Members, to enable them to cast their votes electronically. The Company has appointed Link Intime Private Limited ('LIPL') for facilitating remote e-voting facility to its Members, as the authorized e-voting agency. As per Section 110 and other applicable provisions of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended and guidelines prescribed by the Ministry of Corporate Affairs for holding general meetings/ conducting postal ballot process, this Notice is being sent only by e-mail to all the members whose e-mail IDs are registered with the Company, Depositories, Depository Participants ('DP'), Registrar and Transfer Agent - Link Intime India Private Limited ('Link Intime') and whose name appear in the register of members/ list of beneficial owners as on close of the working hours on **Friday, April 28, 2023 ('Cut-off Date')**. The physical copy of the Postal Ballot Notice is not being sent to the Members for this Postal Ballot. 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 or the Depository) shall be entitled to vote in relation to the resolution specified in this Notice in accordance with the process specified. Any person who is not a Member as on Cut-off date should treat the Postal Ballot Notice for information purpose only.
3. The Board of Directors of the Company has appointed CS Kashyap Shah (ICSI Membership No. FCS 7662) of M/s. Kashyap Shah & Co., Practicing Company Secretaries, Vadodara as the Scrutinizer for conducting the Postal Ballot voting process through e-voting in a fair and transparent manner. The scrutinizer's decision on validity of the Postal Ballot shall be final. The Scrutinizer will submit the report to the Chairperson of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting by June 6, 2023. The results of the Postal Ballot will also be communicated to the Stock Exchanges. The results along with the Scrutinizer's Report will also be displayed on the Company's website, www.amiorganics.com as well as on the LIPL website <https://instavote.linkintime.co.in>
4. Shareholders whose email IDs are not registered, are requested to avail the facility provided by Link Intime to register their email address along with mobile number and bank account details at the web portal https://linkintime.co.in/emailreg/email_register.html by following the instructions mentioned therein. Shareholders may note that this notice is also available on the Company's website at www.amiorganics.com as well as on LIPL website at <https://instavote.linkintime.co.in>
5. **Voting rights will be reckoned on the paid-up value of equity shares registered in the name of the Members on Friday, April 28, 2023 (Cut-Off date).** Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes.
6. **The e-voting period commences on Saturday, May 6, 2023, at 9:00 A.M. (IST) and ends on Sunday, June 4, 2023 at 5:00 P.M (IST) and shall be kept open for 30 days continuously.** During this period, Members of the Company, holding equity shares either in physical form or in dematerialized form, as on the Cut-Off date i.e. Friday, April 28, 2023, may cast their vote by e-voting. The e-voting module shall be disabled after the aforesaid date and time for voting. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

7. The Resolution, if passed by requisite majority, will be deemed to be passed on the last date specified for remote e-voting i.e. Sunday, June 4, 2023. Further, all the resolutions passed through this postal ballot shall be deemed to have been passed by the members at a General Meeting.
8. The documents referred to in Explanatory Statement will be available for inspection. Members seeking to inspect the same can send an email to investorinfo@amiorganics.com
9. **Instructions for Members for voting electronically are as under:**

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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	<ul style="list-style-type: none"> • Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsd.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. • After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period. • If you are 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 • 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 hold 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 company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> • Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. <p>(i) After successful login the Easi / Easiest user will be able to see the e-</p>

	<p>Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <ul style="list-style-type: none"> If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. <p>(ii) Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>								
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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 the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 								
<p>Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:</p>	<p>Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:</p> <ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <p>Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> <p>A. USER ID : Enter your User ID details as given below:</p> <table border="1" data-bbox="581 1520 1377 1726"> <thead> <tr> <th>Manner of Holding Shares</th> <th>User ID</th> </tr> </thead> <tbody> <tr> <td>For members who hold shares in demat account with CDSL</td> <td>16 digit Beneficiary ID</td> </tr> <tr> <td>For members who hold shares in demat account with NSDL</td> <td>8 Character DP ID followed by 8 Digit Client ID</td> </tr> <tr> <td>For members who hold shares in physical form</td> <td>Event No. + Folio number registered with he Company</td> </tr> </tbody> </table> <p>B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</p>	Manner of Holding Shares	User ID	For members who hold shares in demat account with CDSL	16 digit Beneficiary ID	For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID	For members who hold shares in physical form	Event No. + Folio number registered with he Company
Manner of Holding Shares	User ID								
For members who hold shares in demat account with CDSL	16 digit Beneficiary ID								
For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID								
For members who hold shares in physical form	Event No. + Folio number registered with he Company								

	<p>C. DOB/DOI : Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</p> <p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company</p> <p><i>*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</i> <i>*Shareholders holding shares in NSDL form, shall provide 'D' above</i> <i>Shareholders holding shares in CDSL form, shall provide 'C' or 'D', above.</i></p> <ul style="list-style-type: none"> ➤ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). ➤ Click “confirm” (Your password is now generated). <p>2. Click on ‘Login’ under ‘SHARE HOLDER’ tab.</p> <p>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’</p>
<p>Cast your vote electronically</p>	<ol style="list-style-type: none"> 1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. 2. E-voting page will appear. 3. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). 4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

9.1 Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **‘Custodian / Mutual Fund / Corporate Body’**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **‘Custodian / Mutual Fund / Corporate Body’** login for the Scrutinizer to verify the same.

9.2 Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

9.3 Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 -

demat mode with NSDL	4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

9.4 Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to his / her registered e-mail address. Shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.

9.5 Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

9.6 Process for those Members whose e-mail IDs are not registered with the Depositories /Company for procuring User ID and Password and registration of e-mail IDs for e-voting for the resolutions set out in this notice:

- a) In case shares are held in physical mode please provide folio no., name of Member, 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 e-mail to investorinfo@amiorganics.com or rnt.helpdesk@linkintime.co.in
- b) In case shares are held in demat mode, please provide DP ID & Client ID (16-digit DP ID & Client ID 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 investorinfo@amiorganics.com . If you are an individual member holding securities in demat mode, you are requested to refer to the login method explained above i.e., login method for e-voting for individual Member/shareholder holding securities in demat mode.
- c) Alternatively, members may send a request to enotices@linkintime.co.in for procuring User ID and Password for e-voting by providing above mentioned documents.
- d) In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual Members holding securities in demat mode are allowed to vote through their demat

account maintained with depositories and depository participants. Members are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE COMPANIES ACT, 2013') IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE POSTAL BALLOT NOTICE OF AMI ORGANICS LIMITED

Special Resolution No.1

To approve the execution of Employees Stock Option Scheme 2023 ("ESOS 2023")

The following Statement sets out the material facts relating to the Special Business item no. 1 as mentioned in the Notice:

Stock options have long been recognized internationally as an effective instrument to align the interest of Employees with those of the company and its shareholders, providing an opportunity to Employees to share the growth of the company, and to create long-term wealth in the hands of the Employees. Your Company believes that equity-based compensation plans are effective tools to attract and reward the talents working exclusively with the Company and its subsidiary(ies). With the objective to motivate key employees for their contribution to the corporate growth, to create an employee ownership culture and also to retain the best talent in the competitive environment and to encourage them in aligning individual goals with that of the Company's objectives, your Company intends to implement an employee stock option scheme namely "**Ami Organics Employees' Stock Option Scheme 2023**" ("**ESOS 2023**") seeking to cover eligible employees of the Company.

The Nomination & Remuneration Committee ("**the Compensation Committee**") of the Board of Directors of the Company shall grant Options to employees based on the eligibility criteria and also determine the quantum of distribution of Options which could vary from employee to employee or any class thereof under ESOS 2023.

As per provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB and Sweat Equity) Regulations"), the Company seeks your approval for:

- (i) Implementation of the ESOS 2023; and
- (ii) Grant of Options to the eligible employees of the Company as per the terms of the ESOS 2023.

Accordingly the Compensation Committee and the Board of Directors of the Company ("**Board**") at their respective meetings held on April 21, 2023 and April 22, 2023 have approved the ESOS 2023, subject to the members approval.

Disclosure/main features of ESOS 2023 pursuant to the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 and the Companies Act, 2013 are as under:

A. Brief description of ESOS 2023:

The Company proposes to introduce the ESOS 2023 primarily with a view to:

- (i) reward loyalty and performance of the employees;
- (ii) provide wealth creation opportunities to the employees;
- (iii) introduce a long-term incentive tool to attract, retain and motivate talent which shall contribute to the growth and profitability of Ami Organics Limited;
- (iv) enable the employees to get a share in value they create for the Company in the future.

The ESOS 2023 contemplates grant of Options to the eligible employees as may be determined in due compliance of SEBI ((SBEB and Sweat Equity) Regulations. After vesting, the eligible

employees earns a right (but not obligation) to exercise the vested Options within the predefined exercise period.

The Compensation Committee shall administer the ESOS 2023. All questions of interpretation of the ESOS 2023 shall be determined by the Compensation Committee and such determination shall be final and binding upon all persons having an interest in the ESOS 2023. The Company shall issue equity shares upon exercise subject to payment of exercise price and satisfaction of consequential tax obligations.

The liability of paying taxes if any, in respect of the Options granted pursuant to the ESOS 2023 and the equity shares issued pursuant to exercise of Options shall be on the Option grantee and/ or the Company. In cases where the Company decides to pay on behalf of the Option grantee it shall be in accordance with the provisions of Income Tax Act, 1961 read with rules issued thereunder and/or Income Tax Laws of respective countries as applicable to eligible Employees of Company working abroad, if any.

The Company shall have the right to deduct from the Option grantee's salary or recover any of the Option grantee's tax obligations arising in connection with the transactions in respect of Options or Shares acquired upon the exercise thereof and shall have no obligation to deliver shares until the company's tax deduction obligations, if any, have been satisfied by the option grantee in full.

B. Total number of Options to be offered and granted:

The maximum number of Options that can be granted under the ESOS 2023 shall not exceed 3,64,370 (Three Lakhs Sixty Four Thousand Three Hundred and Seventy) which upon exercise shall be convertible into not more than 3,64,370 (Three Lakhs Sixty Four Thousand Three Hundred and Seventy) equity shares ("Shares") of the Company of Rs. 10/- (Ten) each fully paid-up.

Further, the SEBI (SBEB and Sweat Equity) Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Committee shall adjust the number and to the extent allow the price of the Options in such a manner that the total value of the Options remains the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling of Options and shares aforesaid shall be deemed to be modified accordingly.

C. identification of classes of employees entitled to participate and be beneficiaries in ESOS 2023:

Following classes of Employees are entitled to participate in ESOS 2023

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) 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; and
- (iii) an employee as defined in sub-clauses (i) and (ii), of subsidiary(ies) / associate(s), in or outside India, of the Company, but does not include:
 - an employee/director who is a promoter or a person belonging to the promoter group; and
 - a director who either by himself /herself 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.

As per the eligibility criteria given above, the Compensation Committee shall identify the eligible employees for grant of Options, under the ESOS 2023.

Nothing in the ESOS 2023 or in any Option granted pursuant to the ESOS 2023 shall confer on any employee or Option grantee any right to continue in the employment of the company or interfere in

any way with the right of the Company to terminate the employee's/Option grantee's employment at any time.

D. Requirement of vesting and period of vesting:

Unless where determined otherwise by Compensation Committee, there shall be following categories of grants which would be applicable to eligible employees as decided by the Compensation Committee, as the case may be, and which shall be final and binding on such eligible employee.

• **CATEGORY – I GRANT**

Category -I grant shall consist of One Time grant of 30,000 (Thirty Thousand) Options to be granted to eligible employees as follows:

% of Options granted	No. of Years from the date of grant	% of Options Vested
100%	1	100% of Options granted

• **CATEGORY – II GRANT**

Category -II grant shall consist of 3,34,370 (Three Lakhs Thirty Four Thousand Three Hundred and Seventy) Options and shall have both performance based and time based vesting component. 60% of the Options to be vested from the date of grant as per the vesting schedule provided herein and 40% to be vested upon fulfilling the performance conditions as shall be laid down by the Compensation Committee and mentioned in the respective grant letter.

Time Based vesting:

% of Options granted	No. of Years from the date of grant	% of Options Vested
60% of total grant	1	15% of Options granted
	2	15% of Options granted
	3	15% of Options granted
	4	15% of Options granted

Performance Based vesting:

% of Options granted	No. of Years from the date of grant	% of Options Vested
40% of total grant	1	10% of Options granted upon achieving the performance criteria
	2	10% of Options granted upon achieving the performance criteria
	3	10% of Options granted upon achieving the performance criteria
	4	10% of Options granted upon achieving the performance criteria

- In case of death; permanent disability; retirement or superannuation; resignation or termination of employment for reasons other than misconduct and transfer or deputation of an eligible

employee of an associate company, the vesting of Option will differ from that specified above and will be undertaken as per the provisions of the ESOS 2023.

- Options granted would vest essentially on the basis of continuation of employment/ service as on relevant date of vesting as a pre-requisite condition, provided that the eligible Employee is not under any notice of resignation or termination. Besides continuity of employment/ service, the Committee shall have the power to determine and provide vesting conditions for the vesting of Options. In the event that an eligible Employee is transferred or deputed or resigns to join any subsidiary prior to vesting, the vesting shall continue as per original vesting schedule/ conditions.

E. Maximum period within which the Options shall be vested

The Options Granted under the Plan shall not Vest earlier than minimum Vesting Period of 1 (One) year and not later than maximum Vesting Period of 4 (Four) years from the respective date of grant.

F. Exercise price or pricing formula

Exercise price shall be determined by the Compensation Committee at the time of grant of Options, provided however the exercise price per Option shall not be less than the par / face value of the Shares of the Company i.e Rs. 10 (Ten) per Share and shall not exceed the price at which the Equity Shares of the Company were issued during its Initial Public Offering, i.e Rs. 610 (Six Hundred and Ten) per Share.

G. Exercise period and the process of exercise

- The exercise period of Options shall be 2 (two) years from the date of their respective vesting. Failure to comply within this time period shall result in lapsing of vested Options in the hands of the option grantee.
- The ESOP 2023 envisages shorter exercise periods of the vested options, than that specified above in case of resignation or termination of employment for reasons other than misconduct. In case of termination due to misconduct, there shall not be any exercise period as all the vested Options shall lapse forthwith.
- Once the Options are vested, whether at once or at various points of time as per the vesting schedule, the option grantee may, at any time during the exercise period submit an application with the Compensation Committee requesting to exercise his/her vested Options and pay the exercise price.

H. Appraisal process for determining the eligibility of employees for the ESOS 2023

The appraisal process for determining the eligibility of the Employee will be determined by the Compensation Committee based on criteria such as the designation / grade of employee, length of service period, performance record, merit of the employee, future potential contribution towards strategic growth by the Employee, continuation of employment service and/ or any criteria that may be determined by the Committee from time to time.

I. Maximum number of Options to be offered and issued per employee and in aggregate under ESOS 2023

The maximum number of Options that may be granted under ESOS 2023 per eligible employee shall be determined by the Compensation Committee, subject to the provisions of SEBI (SBEB and Sweat Equity) Regulations which shall not exceed 1% of the issued share capital (excluding outstanding warrants and conversions) of the Company as on the grant date, unless approved by the shareholders, specifically. The total number of options granted in aggregate under the Plan shall not exceed the limit specified under clause B above.

J. Maximum quantum of benefits to be provided per employee under ESOS 2023

The maximum quantum of benefits underlying the options issued to an eligible employee shall be equal to difference between the option exercise price and the market price of the shares on the exercise date.

K. Implementation and administration of ESOS 2023

The ESOS 2023 shall be implemented and administered directly by the Company and not by any Trust.

L. Source of acquisition of Shares under the ESOS 2023

ESOS 2023 envisages issue of fresh / new Shares against exercise of vested Options. There will not be secondary acquisition of shares by the Company.

M. The amount of loan to be provided for implementation of the ESOS 2023 by the Company to the trust, its tenure, utilization, repayment terms, etc.

This is currently not contemplated under the present ESOS 2023.

N. Maximum percentage of secondary acquisition

ESOS 2023 envisages issue of primary shares and there is no contemplation of secondary acquisition of shares.

O. Accounting Policy

The Company shall follow disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 including any 'Guidance Note on Accounting for employee share-based Payments' issued in that regard from time to time.

P. Method of Option Valuation

The Company shall adopt Fair Value Method for valuation of Options as prescribed under applicable Indian Accounting Standards. The Company may choose to adopt a different methodology, as may be required, as per the applicable Indian accounting standards.

Q. Declaration:

In case the company opts for expensing of share based employee benefits using the intrinsic value, 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.

R. Period of lock-in:

The Shares issued pursuant to exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended.

S. Terms & conditions for buyback, if any, of specified securities covered under these regulations.



Subject to the provisions of the then prevailing applicable laws, the Compensation Committee shall determine the procedure for buy-back of Options granted under the ESOS 2023 if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

Consent of the Members is sought under SEBI (SBEB and Sweat Equity) Regulations, 2021 by way of a Special resolution. The resolution and the terms stated therein as also the terms stated in this explanatory statement herein above shall be subject to the guidelines/ regulations issued/to be issued by statutory authorities in that behalf and the Board (the NRC and/or Director(s) and/ or officer(s) of the Company, to whom any power may be delegated by the Board in this regard) under the applicable regulations / laws, shall have the sole and absolute authority to modify the terms herein above.

A draft copy of ESOS 2023 shall be available for inspection at the Company's Registered Office during official hours on all working days (excluding Saturdays, Sundays and Public Holidays) till the date of passing of this resolution.

None of the Directors, Key Managerial Personnel of the Company including their relatives are concerned or interested in the resolutions, except to the extent of their entitlements determined lawfully, if any, under ESOS 2023.

Accordingly, the Board recommends the passing of resolution set forth in Item No. 1 for the approval of the Members as Special resolution.

By order of the Board of Directors
For Ami Organics Limited

Sd/-
CS Ekta Kumari Srivastava
Company Secretary & Compliance Officer
Membership No.: ACS 27323

Date: April 22, 2023
Place : Surat