



THERMAX LIMITED

Registered Office: D-13, MIDC Industrial Area, R. D. Aga Road, Chinchwad, Pune 411 019

Corporate Office: Thermax House, 14, Mumbai-Pune Road, Wakdewadi, Pune 411 003

Email ID: cservice@thermaxglobal.com Website: www.thermaxglobal.com Tel no: 020-66051200

Corporate Identity No. (CIN) - L29299PN1980PLC022787

POSTAL BALLOT NOTICE

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and other applicable Rules read with General Circular No. 10/2021 dated June 23, 2021 (in continuation of Circular number 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs, Government of India and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (in continuation of Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020) issued under Regulation 101 (SEBI Circulars) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.]

Dear Shareholders,

NOTICE is hereby given to the members of Thermax Limited (“the Company”) pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, (the Rules) read with General Circular No.10/2021 dated June 23, 2021 (in continuation of Circular number 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020 and No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs, Government of India (the “MCA Circulars”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (in continuation of Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020) issued under Regulation 101 (SEBI Circulars) and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to other applicable laws and regulations, that the following special resolutions are proposed for passing by the members through postal ballot including voting by electronic means (e-voting).

Members’ consent is sought for the proposals contained in the resolution given in this Postal Ballot Notice. The Explanatory Statement pertaining to the said resolutions setting out the material facts and related particulars is annexed hereto.

In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act, read with (i) Rule 20 and Rule 22 of the Rules, as amended; (ii) Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) and (iii) MCA Circulars, the Company has provided remote e-Voting facility only to its Members, to enable them to cast their votes electronically. The instructions for remote e-Voting are appended to this Postal Ballot Notice.

The Board of Directors of the Company has appointed Mr. S.V. Deulkar (FCS: 1321 CP: 965) or failing him Mr. Sridhar Mudaliar (FCS F6156 CP:2664), Partners of M/s. SVD & Associates, Company Secretaries, Pune, as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and

transparent manner. M/s. SVD & Associates, Company Secretaries, has given their consent to act as the scrutinizer.

Please note that there will be no dispatch of physical copies of Notices or Postal Ballot forms to the Members of the Company and no physical ballot forms will be accepted due to the COVID-19 issues.

The Company has appointed M/s KFin Technologies Private Limited ('KFintech'), Registrars and Share Transfer Agents ('RTA'), to provide facilities for e-voting.

The Notice will also be placed on the website of the Company (www.thermaxglobal.com) and on the website of Kfintech (<https://evoting.kfintech.com>).

Members are requested to carefully read the instructions in this Postal Ballot Notice and record their assent (FOR) or dissent (AGAINST) through the remote e-Voting process not later than 5.00 p.m. (IST) on Thursday, January 13, 2022. Remote e-Voting will be blocked immediately thereafter and will not be allowed beyond the said date and time.

After completion of scrutiny of the votes, the Scrutinizer will submit his report to the Chairperson of the Company. The results of Postal Ballot shall be declared on or before Monday, January 17, 2022 and communicated to the stock exchanges, registrar and share transfer agent and shall also be displayed on the Company's website www.thermaxglobal.com and on the website of Kfintech (<https://evoting.kfintech.com>).

RESOLUTION:

1. GRANT OF STOCK OPTIONS TO THE EMPLOYEES OF THE COMPANY UNDER 'THERMAX LIMITED EMPLOYEE STOCK OPTION PLAN 2021':

To consider, and if thought fit, to pass, with or without modifications, the following resolutions 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 ('the Act'), and the Rules thereunder, applicable regulations of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment thereof (hereinafter referred to as "SEBI Regulations"), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) of the Act, for the time being in force 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, consent of the members of the Company be and is hereby accorded to the implementation of 'Thermax Limited Employee Stock Option Plan 2021' ('ESOP 2021'/'Plan') through 'Thermax Employees ESOP and Welfare Trust' ("Trust") of the Company, authorising 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), contemplating to offer, grant and issue from time to time, in one or more tranches, up to 29,06,250 (Twenty Nine Lakh Six Thousand Two hundred and Fifty Only) stock options to or for the benefit of the employees whether working in India or outside India, who are in the employment of the Company including any Director, whether whole-time or otherwise (other than the employee who is Promoter or person belong to the Promoter Group, Independent Directors of the Company and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), equity shares of the Company in the ratio of 1 equity share

for every 1 stock option of the face value of Rs. 2/- each fully paid-up, on such terms and conditions as the Board may decide under the Plan in accordance with the SEBI Regulations and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, split, change in capital structure of the Company and others, if any additional stock options of the Company are to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the stock options issued to them, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be transferred by the Trust and the price of acquisition payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Rs. 2/- (Rupees Two only) per equity share shall bear 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 said grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2021.

RESOLVED FURTHER THAT subject to the extent allowed under the applicable laws, the Board be and is hereby authorized to delegate such powers to the Nomination and Remuneration Committee of the Board to formulate, vary, modify, alter, revise or amend the necessary terms and conditions of the ESOP 2021 and Trust Deed to administer, implement and superintend the ESOP 2021, 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, with a power to further delegate to any executives / officers of the Company or of the Trust or to the trustees thereof, to do required acts, deeds, matters and things as may be deemed necessary or expedient in the regard."

2. GRANT OF STOCK OPTIONS TO THE EMPLOYEES OF GROUP COMPANY(IES) OF THE COMPANY INCLUDING SUBSIDIARY OR ITS ASSOCIATE COMPANY(IES) UNDER "THERMAX LIMITED EMPLOYEE STOCK OPTION PLAN 2021"

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

"RESOLVED THAT pursuant to section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder and Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment thereof) (hereinafter referred to as "SEBI Regulations"), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) of the Act, for the time being in force 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, 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" 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), to extend the benefits of 'Thermax Limited Employee Stock Option Plan 2021' ('ESOP 2021' / 'Plan') referred to in resolution

no. 1 of this Notice to be implemented through 'Thermax Employees ESOP and Welfare Trust' of the Company, and to offer, grant and issue, in one or more tranches, up to 29,06,250 (Twenty Nine Lakh Six Thousand Two hundred and Fifty Only) stock options to or for the benefit of the employees whether working in India or outside India, who are in the employment of Group Company(ies) of the Company including Subsidiary or its Associate Company(ies) including any director, whether whole-time or otherwise (other than the employee who is promoter or person belong to the promoter group, independent directors of the Company and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), equity shares of the Company in the ratio of 1 equity share for every 1 stock option of the face value of Rs. 2/- each fully paid-up, on such terms and conditions as the Board may decide under the Plan in accordance with the SEBI Regulations and other applicable laws.

RESOLVED FURTHER THAT subject to the extent allowed under the applicable laws, the Board be and is hereby authorized to delegate such powers to the Nomination and Remuneration Committee of the Board to formulate, vary, modify, alter, revise or amend the necessary terms and conditions of the ESOP 2021 and Trust Deed to administer, implement and superintend the ESOP 2021, 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, with a power to further delegate to any executives / officers of the Company or of the Trust or to the trustees thereof, to do required acts, deeds, matters and things as may be deemed necessary or expedient in the regard."

By Order of the Board of Directors

For Thermax Limited

Janhavi Khele

Company Secretary

ACS: 20601

Date: November 10, 2021

Place: Pune

NOTES:

- 1) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts pertaining to the resolution is annexed hereto.
- 2) In compliance with the MCA Circulars, the Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners, as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, December 10, 2021. On account of the threats posed by the COVID-19 pandemic, the Company expresses its inability to dispatch hard copy of this Postal Ballot Notice, Postal Ballot forms and pre-paid Business Reply Envelope to the Members for this Postal Ballot. Accordingly, the members may note that communication of the assent or dissent of the Members would take place through the remote e-Voting system only.
- 3) As per the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic transmission to those who have registered their e-mail IDs with depositories.
- 4) Members who have not yet registered their email addresses are requested to register the same with their Depository Participants (DPs) in case the shares are held by them in electronic form and with KFintech in case the shares are held by them in physical form along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card,

and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport etc.) in support of the address of the Member. Those Members who have already registered their e-mail addresses are requested to keep their email addresses validated with their DPs/RTA to enable servicing of notices /documents / Annual Reports and other communications electronically to their email address in future.

- 5) Members may please note that the Postal Ballot Notice will also be available on the Company's website at www.thermaxglobal.com, websites of the Stock Exchanges i.e. The BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively, and on the website of M/s KFin Technologies Pvt. Ltd. (Kfintech) at www.kfintech.com
- 6) After sending the notice of Postal ballot through email, an advertisement shall be published in English newspaper and Marathi newspaper, each with wide circulation in the district, where the Registered Office of the Company is situated, and also on the Company's website: www.thermaxglobal.com.
- 7) In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, if any, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided e-voting facility as an alternative mode of voting which will enable all the Members of the Company to cast their votes electronically on the resolution mentioned in the notice. For this purpose, the Company has utilised the services of its Registrar and Share Transfer agent Kfintech for facilitating e-voting to enable the Members to cast their votes electronically.
- 8) Necessary arrangements have been made by the Company with Kfintech, to facilitate electronic voting (e-voting). The Company has appointed Mr. S.V. Deulkar (FCS: 1321 CP: 965) failing him Mr. Sridhar Mudaliar (FCS: 6156 CP: 2664), Partners of M/s. SVD & Associates, Company Secretaries, Pune as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- 9) Voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date Friday, December 10, 2021.
- 10) The e-voting period commences on Wednesday, December 15, 2021 (9.00 a.m.) and ends on Thursday, January 13, 2022 (5.00 p.m.). The voting module shall be disabled by Kfintech for voting thereafter.
- 11) Once the vote on the Resolutions is cast by the Members, the Members shall not be allowed to change it subsequently.
- 12) All the material documents referred to in the Statement setting out material facts annexed thereto will be available for inspection through electronic mode on all working days from the date of dispatch until the last date for receipt of votes through remote e-voting. Members who wish to inspect the documents are requested to send an email to Cservices@thermaxglobal.com mentioning their name, Folio no. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email on or before Thursday, January 13, 2022.
- 13) The Scrutinizer will submit his report to the Chairperson after completion of the scrutiny of the e-voting on or before Monday, January 17, 2022. The result of the voting by electronic means (along with the Scrutinizer's report) will be announced on or before Monday, January 17, 2022 through the website of the Company at www.thermaxglobal.com and on the website of Kfintech (<https://evoting.kfintech.com>) and shall be submitted to BSE and NSE.

- 14) Resolutions passed by the Members with requisite majority through Postal Ballot shall deemed to have been passed as if they have been passed at a General Meeting of Members. The resolution, if passed by the requisite majority, shall be deemed to have been passed on Thursday, January 13, 2022 i.e., the last date specified for receipt of votes through remote e-voting.
- 15) Contact details of the person responsible to address the queries/grievances connected with the voting by Postal Ballot including voting by electronic means, if any:

The Company Secretary,
Thermax Limited
14, Thermax House, Mumbai-Pune Road, Wakdewadi, Pune
Tel: 020 66051407
Email – Cservice@thermaxglobal.com.

Or

Registrar and Share Transfer Agent,
KFin Technologies Private Limited
Selenium Tower B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally, Hyderabad - 500 032.
Tel: 040-67162222 / 79611000
Fax: 040-23001153
Toll free: 1800 309 4001
E-mail: inward.ris@kfintech.com
Website: www.kfintech.com

EXPLANATORY STATEMENT

(Pursuant to the provisions of Sections 102(1) and 110 of the Companies Act, 2013 read with Regulation 6(2) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021) relating to special businesses mentioned at item no 1 & 2 of the accompanying Notice of Postal Ballot dated November 10, 2021.

Item No. 1 & 2

Your Company believes that equity based compensation plans are an effective tool to reward the talents working with the Company. It provides an opportunity to employees to share the growth of the Company, and to create long-term wealth in the hands of the employees. With a view to motivate the key work force seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth, your Company intends to implement an employee stock option plan namely 'Thermax Limited Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan") to cover employees of the Company and its Group Companies including Subsidiary and its Associate Companies.

Accordingly, the Nomination and Remuneration Committee of the Directors ("Committee") and the Board of Directors of the Company at their respective meetings held on October 18, 2021 and November 10, 2021 had approved the introduction of ESOP 2021, subject to the approval of members.

The Plan shall be implemented through the 'Thermax Employees ESOP and Welfare Trust' ("Trust") of the Company. The Company intends to grant up to 29,06,250 (Twenty Nine Lakh Six Thousand Two hundred and Fifty Only) equity shares of the Company in the ratio of 1 equity share for every 1 stock option of the face value of Rs. 2/- each fully paid-up, on such terms and conditions as the Board may decide under the Plan in accordance with the SEBI Regulations and other applicable laws. The Trust has been holding 29,06,250 equity shares of the Company for the employee welfare and benefits pursuant to primary acquisition by it by subscribing to the fresh issue of shares made by the Company in 2004. The Trust shall not acquire any equity shares from secondary market. Trust will transfer the equity shares to the employees under the Plan.

In terms of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI Regulations"), the Company seeks approval of the Members for implementation of the Plan and grant of stock options thereunder to the employees of the Company and its Group Companies including Subsidiary or its Associate Companies, as the Board may decide under the Plan in accordance with the SEBI Regulations and other applicable laws.

Disclosure/main features of ESOP 2021 pursuant to the SEBI Regulations:

a) Brief description of the Plan

In view of the aforesaid background, the Plan contemplates grant of options to the employees of the Company and its Group Companies including Subsidiary and its Associate Companies.

After vesting of options, the employees earn a right, but not an obligation, to exercise the vested options within the exercise period and obtain equity shares of the Company which shall be transferred by the Trust subject to payment of exercise price and satisfaction of any tax obligation arising thereon and other terms and condition of the Plan.

The Nomination and Remuneration Committee ("Committee") of the Company shall act as Compensation Committee for the supervision of Plan and Trust shall administer the Plan. All questions of interpretation

of the Plan shall be determined by the Committee or Trust as per terms of the Plan.

The Plan shall be called as Thermax Limited Employee Stock Option Plan 2021.

The objectives of the Plan are:

- Performance based incentives in the form of discounted shares. The rewards will be based on achievement of targets defined annually.
- Drive a strong One Thermax messaging into compensation / reward programs for senior executives.
- Enable greater competitiveness and market alignment in the structure and quantum of senior management compensation.
- Support attraction & retention of key talent in senior leadership roles.

b) Total number of Options to be granted

The total number of stock options to be granted in one or more tranches under the Plan shall not exceed 29,06,250. Each option when exercised would be converted in to one equity share of Rs. 2/- (Rupees two Only) each fully paid-up and shall be transferred by the Trust to the employee.

Further, SEBI Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the stock options granted. In this regard, the Committee shall adjust the number and price of the stock options granted in such a manner that the total value of the options granted under the Plan remain the same after any such corporate action. Accordingly, if any additional stock options are issued by the Company or the Trust is required to transfer additional shares to the option grantees for making such fair and reasonable adjustment, the aforesaid ceiling, shall be deemed to be increased to the extent of such additional options issued.

c) Identification of classes of Employees entitled to participate in the Plan

Following classes of employees are entitled to participate in the Plan:

- (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; or
- (iii) an employee as defined in sub-clauses (i) or (ii), of a group company including subsidiary or its associate company, in India or outside India, 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 10% of the outstanding equity shares of the company;

d) Requirements of vesting and period of vesting

Performance Criteria:

The broad criteria for appraisal may include parameters based on Committee's decision of achievement against targets set for the employees of the Company and its group Companies on metrics like revenue, profit and other strategic measures. The Committee will define the targets and metrics for each year.

The Grant of Stock Options in FY 2022-23 shall be based on achieving revenue and profitability of the Company and its group Companies as per business plan approved by the Board for FY 2021-22. The Grant

of Stock Options in subsequent financial years will be based on such metrics as may be determined by the Committee / Board.

The amount of grants for each employee to be determined by the Committee is based on the benchmark of employment compensation applicable for relevant experience and skill.

Determination of number of Stock Options: The number of Stock Options to be granted is determined basis the fair market value of share on the date of grant.

The stock options granted under the Plan shall vest so long as the employee continues to be in the employment of the Company and/or its Group Companies including Subsidiary or its Associate Companies. There shall be a minimum period of one year between the Grant of Stock Options and Vesting of Options. The Vesting of Options shall be as follows for grants in FY 2022-23, which may be varied for future grants at the discretion of the Committee.

Time Period	% of Stock Options to be vested
At the end of 1 st year from the grant date	33% of stock options granted
At the end of 2 nd year from the grant date	33% of stock options granted
At the end of 3 rd year from the grant date	34% of stock options granted

e) Maximum period (subject to regulation 18(1) of SEBI Regulations) within which the Stock Options shall be vested

All the stock options granted on any date shall vest not later than 5 years from the date of grant of stock options.

f) Exercise price

The exercise price of grant shall be determined by the Committee which shall not be less than the face value of Rs. 2/- (Rupees Two only) per equity share of the Company.

g) Exercise period and the process of exercise

The exercise period would commence from the date of vesting and will expire on completion of maximum exercise period of 5 years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time. The stock options will be exercised by the Employees by a written application to the designated officer of the Company/Trust in such manner, and on execution of such documents, as may be prescribed by the Committee or Trust from time to time.

The stock option will lapse if not exercised within the specified exercise period. The stock option may also lapse under certain circumstances as determined by the Committee even before expiry of the specified exercise period.

h) The appraisal process for determining the eligibility of the Employees for the Plan

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters based on Committee decision of achievement against targets set for the Company and its group Companies on metrics like revenue, profit and other strategic measures. The Committee will define the targets and metrics for each year.

Further, the Committee shall also on the basis of all or any of the following, decide on the Employees of the Company and its Group Companies including Subsidiary and its Associate Companies, who are eligible for the grant of ESOP under the Scheme and the terms and conditions thereof.

- Employees at level CEO / Managing Director.
- Employees at one level below Board and covering Executive Council members;
- Extended to all new hires who will join as Executive Council members, as may be considered by the Committee.
- Any other critical employee, as may be determined by the Committee.

i) Maximum number of stock options to be issued per Employee and in aggregate under the Plan

The maximum number of stock options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1 (one) percent of the issued capital of the Company at the time of grant.

The maximum number of stock options, in aggregate, that may be granted pursuant to this Plan shall not exceed 29,06,250 Equity Shares.

j) Maximum quantum of benefits to be provided per Employee

The maximum quantum of benefits underlying the stock options granted to an Eligible Employee can be construed to be an amount equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of stock options, on the basis of difference between the stock option Exercise Price and the Market Price of the equity shares on the exercise date.

k) Whether the Plan is to be implemented and administered directly by the Company or through a trust

The Plan is proposed to be implemented and administered through Thermax Employees ESOP and Welfare Trust (hereinafter referred to as 'Trust').

l) Whether the Plan involves new issue of shares by the Company or secondary acquisition or both

The Plan contemplates to use primary equity shares already acquired by the Trust from the Company in 2004. The Trust would not acquire any equity shares from secondary market.

m) Amount of loan to be provided for implementation of the Plan(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.

Not Applicable

n) Maximum percentage of secondary acquisition that can be made by the Trust for the purpose of the Plan

Not Applicable

o) A statement to the effect that the company shall conform to the accounting policies specified in regulation 15 of SEBI Regulations

The Company shall comply with the disclosure and accounting policies prescribed in Regulation 15 of SEBI Regulations and as applicable, from time to time.

p) Method of valuation of stock option by the Company

The Company shall use the Fair Value Method for valuation of the Options as prescribed under IND AS 102 or under any Accounting Standard, as applicable, notified by appropriate authorities from time to time.

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 of the stock options shall be disclosed in the Directors' Report and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

r) Period of lock-in

The Shares allotted upon exercise of stock options under the Plan are not subject to any lock in period.

s) Terms & conditions for buyback, if any, of specified securities covered under these regulations

The Board in accordance with Applicable Laws shall lay down the procedure for buy-back of specified securities issued under this Plan, to be undertaken by the Company at any time under the SEBI (Buyback of Securities) Regulations, 2018, which shall also include:

- i. permissible sources of financing for buy-back;
- ii. any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- iii. limits upon quantum of specified securities that the Company may buy-back in a financial year.

Consent of the members is being sought by way of special resolutions pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and Regulation 6 of the SEBI Regulations.

A draft copy of the Plan, Trust deed (including amendment deeds) is available for inspection at the Company's Registered Office during official hours on all working days till the last date of receipt of votes by postal ballot / e-voting.

None of the Directors including their relatives are interested or concerned in the above resolutions, except to the extent of stock options proposed to be granted to them under the Plan.

Accordingly, your Directors recommend the passing of the Special Resolutions as specified in Item no. 1 and 2 of this Postal Ballot Notice.

By Order of the Board of Directors

For Thermax Limited

Janhavi Khele
Company Secretary
A20601

Date: November 10, 2021

Place: Pune

Instructions and process for e-voting are as under: -

1. The instructions for Members for e-voting are as under:

E-Voting procedure for Individual shareholders holding securities in Demat:

- In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. However, pursuant to the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Method of login by individual shareholders holding the securities in demat mode directly from the website of depositories:

NSDL	CDSL
1. User already registered for IDeAS facility: I. Visit URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under the “login” under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”. IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services I. To register click on link: https://eservices.nsdl.com II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp	1. Existing user who have opted for Easi / Easiest 2. Visit URL:https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com 3. Click on New System Myeasi 4. Login with user id and password. 5. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. 6. Click on e-Voting service provider name to cast your vote. 7. User not registered for Easi/Easiest I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in points 1 8. Alternatively by directly visiting the e-Voting website of CDSL I. Visit URL:www.cdslindia.com

III. Proceed with completing the required fields. IV. Follow steps given in points 1 3. Alternatively by directly visiting the e-Voting website of NSDL I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. Kfintech On successful selection, you will be redirected Kfintech e-voting page for casting your vote during the remote e-Voting period.	II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP i.e. Kfintech where the e- Voting is in progress.
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Method of Login for individual shareholders holding the securities in demat mode through their depository participants.

- I. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.
- II. Once logged in, 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 features.
- III. Click on options available against company name or e-Voting service provider - Kfintech and you will be redirected to e-Voting website of Kfintech for casting your vote during the remote e-Voting period without any further authentication.

Important Note:

Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

For technical Assistance

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

NSDL	CDSL
Email: evoting@nsdl.co.in	Email : helpdesk.evoting@cdslindia.com
Toll free no.'s: 1800 1020 990	Phone No: 022- 23058738
1800 22 44 30	022-23058542-43

E-Voting procedure for Institutional Shareholders and shareholders holding securities in Physical form:

- i. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from Kfintech which will include details of E-Voting Event Number (EVEN), USER ID and password. The details of the process and manner for e-voting are given below:
 - a. Launch internet browser and type the URL: <https://evoting.kfintech.com/> in the address bar.
 - b. Enter the login credentials i.e. User ID and password mentioned in your email. In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by your Folio No. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting your votes.
- ii. After entering these details appropriately, click on LOGIN.
- iii. You will now reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (09) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
- iv. You need to login again with the new credentials.
- v. On successful login, the system will prompt you to select the EVEN i.e. Thermax Limited and click on "Submit".
- vi. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR' / 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN'. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- vii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

- viii. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- ix. You may then cast your votes by selecting an appropriate option and click on 'SUBMIT'.
- x. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you have voted on the resolution/s, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf or to cast its vote through remote e-voting together with attested specimen signature of the duly authorised signatory (ies), to the Scrutinizer through e-mail id deulkarcs@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format 'CLIENT EVEN No.' The said documents should reach the Scrutinizer on/ before Thursday, January 13, 2022.
- xii. For Members who have not registered their mobile number and email addresses, kindly register the same at the link <https://ris.kfintech.com/clientservices/postalballot/registration.aspx> as the postal ballot form and any other documents will not be sent to them in physical mode. The same shall be sent only by email, in view of the COVID-19 (Corona virus) pandemic and the Applicable Circulars.
- xiii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).

