



GREENPLY INDUSTRIES LIMITED

CIN: L20211AS1990PLC003484

Registered Office: Makum Road, P.O. Tinsukia, Assam-786 125, India

Corporate Office: "Madgul Lounge", 23 Chetla Central Road, 5th & 6th Floor, Kolkata - 700 027, India

Phone: (033) 3051-5000, Fax: (033) 3051-5010, Email: investors@greenply.com, Website: www.greenply.com

POSTAL BALLOT NOTICE

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

Dear Member(s) of
Greenply Industries Limited

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, (the "Companies Act, 2013") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (the "Management Rules") including any statutory modification(s) or re-enactment thereof for the time being in force that, the Resolutions appended below are proposed to be passed by way of Postal Ballot which includes E-voting. The Explanatory Statement pertaining to the Resolutions setting out the material facts and the reasons thereof are annexed hereto along with the Postal Ballot Form for your consideration. In the event the draft Resolutions as set out in the notice are assented to by the requisite majority by means of Postal Ballot or E-voting (whichever method the Shareholder opts for), they shall be deemed to have been passed as Special Business at an Extraordinary General Meeting.

The Board of Directors of the Company has appointed Mr. Dilip Kumar Sarawagi [bearing COP No.: 3090], Practicing Company Secretary, Proprietor of M/s. DKS & Co. [bearing Unique Code: S1990WB007300] of 173, M. G. Road, 1st Floor, Kolkata - 700 007 as the Scrutinizer for conducting the Postal Ballot and E-voting process in a fair and transparent manner. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions enclosed with the Postal Ballot Form and return the said form duly completed in all respect in the attached self-addressed prepaid postage envelope, if posted in India. The duly completed Postal Ballot Form(s) should reach the Scrutinizer at 173, Mahatma Gandhi Road, 1st Floor, Kolkata - 700 007, not later than 5:00 p.m. on Wednesday, the 23rd December, 2020. Please note that any Postal Ballot Form(s) received after the said date and time will be treated as not having been received. E-Voting facility is also provided to all eligible Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. Members desiring to opt for E-voting as per the facilities arranged by the Company are requested to read the instructions in the Notice under the section 'Voting through electronic means'. The E-voting module shall be disabled after 5:00 p.m. on Wednesday, the 23rd December, 2020. Kindly note that while exercising their vote, Members of the Company can opt for only one of the two modes of voting i.e. either through Postal Ballot Form or E-voting.

The Scrutinizer will submit his report to the Chairman cum Managing Director or in his absence to the Joint Managing Director of the Company after completion of scrutiny of Postal Ballot (including E-voting) in a fair and transparent manner. The results of the Postal Ballot (including E-voting) will be declared on Thursday, the 24th December, 2020 at the Corporate Office of the Company at "Madgul Lounge", 23 Chetla Central Road, 6th Floor, Kolkata - 700 027 by 6:00 p.m. and will be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office and communicated to the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") where the equity shares of the Company are listed. The results of the Postal Ballot (including E-voting) will also be displayed on the Company's website: www.greenply.com on Thursday, the 24th December, 2020 and be published in the newspapers (Business Standard, all English editions, The Times of India, Guwahati & Kolkata edition and Dainik Janambhoomi) on Friday, the 25th December, 2020.

The Resolution shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot Forms or E-voting, if approved by the members with requisite majority. The Members are requested to consider and, if thought fit, pass the following resolution(s):

SPECIAL BUSINESSES:

Item No. 1: To consider and approve variation in the 'Greenply Employee Stock Option Plan 2020' ("ESOP 2020" / "Plan") for the employees of the Company and in this regard, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification of the earlier resolution passed by the shareholders on 15th October, 2020 vide Postal Ballot including e-voting and

- (i) pursuant to
 - a. the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Regulations 6 and 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
 - b. the provisions of the Memorandum and Articles of Association of the Company;
 - c. the approval of Nomination and Remuneration Committee ("Committee") and the Board of Directors of the Company; and

- (ii) subject to such other approvals, permissions and sanctions as may be necessary,

the consent of the Members of the Company be and is hereby accorded to the variation of the 'Greenply Employee Stock Option Plan 2020' ("ESOP 2020"/ "Plan") framed for the benefit of the employees of the Company to the extent of the following:

- (i) Removal of the existing annual limit of 54000 (Fifty Four Thousand) options under ESOP 2020 per employee;
- (ii) Inclusion of the maximum number of options to be granted to a single employee under the ESOP Plan within the limit of total number of options covered by the Plan, as may be determined by the Committee on a case to case basis;
- (iii) Retention of the limit with respect to the number of options that may be granted to any specific employee, in any financial year, below 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT all other terms and conditions of the resolution dated 15th October, 2020 shall prevail and the existing ESOP Plan stands altered to the extent of the aforesaid alteration.

RESOLVED FURTHER THAT the Board / Committee, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary to give effect to the aforesaid resolution."

Item No. 2: To consider and approve variation in the 'Greenply Employee Stock Option Plan 2020' ("ESOP 2020" / "Plan") for the employees of the subsidiary(ies) of the Company and in this regard, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification of the earlier resolution passed by the shareholders on 15th October, 2020 vide Postal Ballot including e-voting and

- (i) pursuant to
 - a. the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Regulations 6 and 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
 - b. the provisions of the Memorandum and Articles of Association of the Company;
 - c. the approval of Nomination and Remuneration Committee ("Committee") and the Board of Directors of the Company; and
- (ii) subject to such other approvals, permissions and sanctions as may be necessary,

the consent of the Members of the Company be and is hereby accorded to the variation of the 'Greenply Employee Stock Option Plan 2020' ("ESOP 2020"/ "Plan") framed for the benefit of the employees of the Subsidiary Company(ies) of the Company to the extent of the following:

- (i) Removal of the existing annual limit of 54000 (Fifty Four Thousand) options under ESOP 2020 per employee;
- (ii) Inclusion of the maximum number of options to be granted to a single employee under the ESOP Plan within the limit of total number of options covered by the Plan, as may be determined by the Committee on a case to case basis;
- (iii) Retention of the limit with respect to the number of options that may be granted to any specific employee, in any financial year, below 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT all other terms and conditions of the resolution dated 15th October, 2020 shall prevail and the existing ESOP Plan stands altered to the extent of the aforesaid alteration.

RESOLVED FURTHER THAT the Board / Committee, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary to give effect to the aforesaid resolution."

Item No. 3: To consider and approve grant of options to the identified employees during any one year, equal to or exceeding 1% of the issued share capital of the Company under the 'Greenply Employee Stock Option Plan 2020' ("ESOP 2020" / "Plan") and in this regard, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBE B Regulations"), issued by the Securities and Exchange Board of India ("SEBI") and the approval of Nomination and Remuneration Committee ("Committee") and the Board of Directors of the Company; and subject to such other approvals, permissions and sanctions as may be necessary from time to time and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of Members of the Company be and is hereby accorded to grant or offer Equity Shares of the Company having face value of Re. 1/- per share, during any one financial year, equal to or exceeding 1% of the issued, subscribed and paid-up capital of the Company by way of an award to such identified persons who are employees of the Company and of the subsidiary(ies) of the Company, whether working in India or out of India, under the 'Greenply Employee Stock Option Plan 2020' ("ESOP 2020"/ "Plan"), at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board/Committee in accordance with ESOP 2020 and applicable law.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorized subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and/or instructions and do all other things incidental and ancillary thereof.”

Item No. 4: Re-appointment of Mr. Rajesh Mittal [DIN: 00240900] as Chairman cum Managing Director of the Company, liable to retire by rotation and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the allied Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 17(6)(e) and other applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), applicable clauses of the Articles of Association of the Company, recommendation and/or approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Rajesh Mittal [DIN: 00240900] as a Chairman cum Managing Director of the Company, whose office shall be liable to retire by rotation, for the period of 5 (five) years with effect from 1st January, 2021 to 31st December, 2025, on the terms and conditions including remuneration as mentioned below:

Salary & Perquisites:

1.	Basic Salary: Rs.23,00,000/- per month.
2.	Commission: Not exceeding 1.5 (one and half) percent of net profit in an accounting year of the Company subject to availability of profit.
3.	Contribution to National Pension Scheme: Rs.2,30,000 per month.
4.	House Rent Allowance of Rs.5,00,000/- per month.
5.	Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
6.	Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
7.	Reimbursement of membership fees for a maximum of two clubs.
8.	Personal accidents and Mediclaim Insurance Policy, premium not to exceed Rs. 1,00,000/- per annum.
9.	Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
10.	Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

Other Terms and Conditions:

- The terms and conditions of re-appointment of Mr. Rajesh Mittal may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of Companies Act, 2013 or any amendment or re-enactment thereof.
- No sitting fees will be paid to Mr. Rajesh Mittal for attending meeting of the Board of Directors or any committee thereof.
- His office shall be liable to determination by retirement of directors by rotation.
- The appointment may be terminated by either party by giving three months' notice of such termination or salary in lieu thereof or by mutual consent.

RESOLVED FURTHER THAT pursuant to the Regulation 17(6)(e) of the SEBI LODR as amended from time to time, recommendation of the Nomination and Remuneration Committee, Audit Committee and the approval of the Board of Directors of the Company, the consent of the Members be and is hereby also accorded for the payment of aforesaid annual remuneration (including any fees or compensation payable) to Mr. Rajesh Mittal being promoter of the Company irrespective the same is in excess of the limits prescribed under Regulation 17(6)(e) of the SEBI LODR.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and/or instructions and do all other things incidental and ancillary thereof.”

Place: Kolkata
Date: November 4, 2020

By order of the Board
For **Greenply Industries Limited**

Registered Office:
Makum Road
P.O. Tinsukia, Assam - 786 125

Kaushal Kumar Agarwal
Company Secretary &
Vice President-Legal

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts pertaining to the proposed resolutions is annexed hereto along with a Postal Ballot Form for your consideration.
2. The Board of Directors of the Company has appointed, Mr. Dilip Kumar Sarawagi [bearing COP No.: 3090], Practicing Company Secretary, Proprietor of M/s. DKS & Co. [bearing Unique Code: S1990WB007300] of 173, M. G. Road, 1st Floor, Kolkata - 700 007 as the Scrutinizer for conducting the Postal Ballot and E-voting process in a fair and transparent manner. After completion of scrutiny, the Scrutinizer will submit the Report to the Chairman cum Managing Director or in his absence the Joint Managing Director of the Company. The Chairman cum Managing Director or in his absence the Joint Managing Director will announce the results of Voting by Postal Ballot (including E-voting) on Thursday 24th December, 2020 and the resolution, if passed by the requisite majority, shall be deemed to have been passed on Wednesday 23rd December, 2020, the last date for receipt of duly completed Postal Ballot Forms or E-voting as stated above. The result of the Postal Ballot (including E-voting) would be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office and communicated to the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") where the equity shares of the Company are listed. The results of the Postal Ballot (including E-voting) will also be displayed on the Company's website: www.greenply.com and be published in newspapers (Business Standard, all english editions, The Times of India, Guwahati & Kolkata edition and Dainik Janambhoomi) on Friday 25th December, 2020.
3. Postal Ballot Notice along with the Postal Ballot Form is being sent to all the Members through e-mail whose email IDs are registered with the Company's Registrar and Share Transfer Agents/Depository Participant(s) for communication purposes. The physical copies of the Notice, *inter alia*, indicating the process and manner of E-voting along with postage pre-paid self-addressed Business Reply Envelope is being sent to all Members of the Company by permitted mode, whose names appear in the Register of Members/list of Beneficial Owners as on the close of business hours on 20th November, 2020 i.e. "the cut-off date". Members may note that this Notice and Postal Ballot Form will be available on the Company's website www.greenply.com.
4. In compliance with the provisions of Sections 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013 and the allied Rules framed thereunder and the LODR Regulations, the Company is pleased to offer e-voting facility as an option to all the eligible Members of the Company. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form. Please note that E-voting is optional. Shareholders are requested to read carefully the instructions given below before casting their vote electronically. A member can log in any number of times till the votes are casted on all the resolution or till the end of the Voting Period whichever is earlier.
5. The Postal Ballot Form and postage pre-paid self-addressed Business Reply Envelope are enclosed for use of the shareholders and it bears the address to which the duly completed Postal Ballot Forms are to be sent. The shareholders are requested to read carefully the instructions printed on the Postal Ballot Form and return the Form duly completed and signed in the attached postage pre-paid self-addressed Business Reply Envelope so as to reach the Scrutinizer on or before 5:00 p.m. on Wednesday, 23rd December, 2020, failing which it shall be strictly treated as if no reply has been received from such shareholder.
6. Only a shareholder who is entitled to vote is entitled to exercise his/her/its vote through Postal Ballot or E-voting. The date of completion of dispatch of Notice will be announced through advertisement in newspaper(s) and any recipient of this Notice who has no voting rights as on the "cut-off date" as mentioned in point 3 above should treat the same as an intimation only.
7. For any query connected with the Resolutions proposed to be passed by means of Postal Ballot including voting by electronic means may contact Mr. Kaushal Kumar Agarwal, Company Secretary & Vice President-Legal at the Corporate Office of the Company at "Madgul Lounge", 23 Chetla Central Road, 6th Floor, Kolkata - 700 027, Phone: (033) 3051 5000; Email: kaushal@greenply.com
8. A Member may request for a duplicate Postal Ballot Form, if required, to the Company's Registrar and Share Transfer Agent viz., M/s. S. K. Infosolutions Pvt. Ltd. of 34/1A, Sudhir Chatterjee Street, Near Girish Park Metro Station, Kolkata - 700 006. Request can be sent through an e-mail to skcdilip@gmail.com/contact@skcinfo.com by mentioning his Folio/DP Id and Client Id No. However, duly filled in Postal Ballot Form should reach the Scrutinizer not later than the date specified in point 5 above.
9. Kindly note that a Member can opt for only one mode for voting i.e. either Physical through Postal Ballot Form or E-voting. In case the vote is cast both by Physical Ballot and E-voting, then the voting done through E-voting shall prevail and voting done by Physical Ballot Form will be treated as invalid. The Scrutinizer's decision on the validity of the votes cast through E-voting/Postal Ballot Form shall be final.
10. Relevant documents pertaining to the Resolutions above will be available for inspection at the Registered Office of the Company on any working day between 11:00 a.m. to 1:00 p.m. up to the last date of receipt of Postal Ballot Forms specified in the accompanying Notice.
11. Copy of the Postal Ballot Notice will be available on the website of the Company at www.greenply.com till the last date of receipt of Postal Ballot Forms specified in the accompanying Notice.
12. The instructions for shareholders voting electronically "**remote e-voting**" are as under:

- (i) The voting period begins on 24th November, 2020 at 10:00 a.m. and ends on 23rd December, 2020 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20th November, 2020, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders / Members.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company. OR Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login-Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the Member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company name on which you choose to vote i.e. GREENPLY INDUSTRIES LIMITED.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the

Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or Members may even write to Mr. Kaushal Kumar Agarwal, Company Secretary & Vice President-Legal at “Madgul Lounge”, 6th Floor, 23 Chetla Central Road, Kolkata - 700 027, Phone: (033) 3051 5000; Email: kaushal@greenply.com regarding the grievances connected with voting by electronic means.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 (“Act”)

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Businesses covered under Item Nos. 1 to 4 of the accompanying Notice dated 4th November, 2020.

Item Nos. 1, 2 & 3

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through stock based compensation scheme. Your Company believes that equity based compensation plans are an effective tool to reward the talents working with the Company.

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, the Company had introduced an employee stock option plan namely 'Greenply Employee Stock Option Plan 2020' (“ESOP 2020”/ “Plan”) to cover the eligible employees of the Company and its Subsidiary Company(ies), working in or outside India (Eligible Employees), as may be determined by the Nomination and Remuneration Committee (Committee) on a case to case basis, in terms of the said Plan and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”). The said Plan was approved by the shareholders vide the special resolutions dated 15th October, 2020.

The Company is now proposing to grant stock options under ESOP 2020 to the Eligible Employees in terms of the Plan and applicable laws. However, considering the intent of the Company to reward/ compensate the employees and key talents based on their diverse roles and responsibilities within the organization and various other criteria as may be fixed by the Committee at the time of grant, the annual limit pertaining to the maximum number of grant of stock options under ESOP 2020 to be granted to a single employee i.e. 54000 stock options may render the Plan unattractive.

In view of the aforesaid, the Committee and the Board of Directors of the Company have proposed to remove the aforesaid annual limit. The Committee and the Board have also decided that except as aforesaid, all other terms and conditions of the Plan as disclosed in the Explanatory Statement to the Postal Ballot Notice dated 14th August, 2020 and as approved by the shareholders vide special resolutions dated 15th October, 2020 shall remain unchanged. Further, the beneficiaries of the aforesaid variation shall be such Eligible Employees covered under the Plan as may be determined by the Committee from time to time.

The Nomination and Remuneration Committee of the Directors and the Board of Directors of the Company at their respective meetings held on 4th November, 2020 had approved carrying out of the aforesaid variation in the existing Plan, subject to your approval.

In terms of Regulations 6 and 7 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), the Company seeks your approval as regards the aforesaid variation in the Plan and grant of options thereunder to the eligible

employees of the Company, its Subsidiary Company(ies), in or outside India, as decided from time to time as per provisions of the Plan read with provisions of SEBI SBEB Regulations.

Furthermore, Regulation 6 of the SEBI SBEB Regulations also requires a separate approval of the shareholders by way of special resolution to grant the benefits to the identified employees during any one year, equal to or exceeding 1% of the issued, subscribed and paid-up Equity Share Capital (excluding outstanding warrants and conversions) of the Company at the time of grant. Accordingly, a separate resolution under item no. 3 is being proposed to grant stock options and/ or issue and allot equity shares (as the case may be) to the identified employees during any one year, equal to or exceeding 1% of the issued, subscribed and paid-up Equity Share Capital (excluding outstanding warrants and conversions) of the Company, as may be decided at the sole discretion of the Committee.

The salient features of the ESOP 2020 after making the necessary alteration to give effect to the aforesaid proposal are as under:

A. Brief Description of the Plan:

Keeping in view the aforesaid objectives, the ESOP 2020 contemplates grant of options to the eligible employees of the Company and its Subsidiary Company(ies), in or outside India. After vesting of options, the eligible employees earn a right, but not obligation, to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall act as Compensation Committee for the administration of ESOP 2020. All questions of interpretation of the ESOP 2020 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2020.

B. Total number of options to be granted:

The total number of options to be granted under the ESOP 2020 shall not exceed 54,00,000 (Fifty-four lakhs only). One equity share of face value of Re.1/- each will be issued and allotted as fully paid up against each one stock option upon exercise.

Further, SEBI SBEB 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 options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under the ESOP 2020 remain 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 54,00,000(Fifty-four lakhs only), 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 ESOP 2020:

All permanent employees and Directors (hereinafter referred to as "Employees") of the Company shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

- i. a permanent employee of the Company who has been working in India or outside India;
- ii. a director of the Company, whether a whole-time director or not but excluding an independent director;
- iii. an employee, as defined in sub-clauses (i) or (ii) in this para, of a subsidiary company, whether present or future, in India or out of India of the Company, if any.

but does not include-

- i. an employee who is a Promoter or belongs to the Promoter Group; and
- ii. a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.

D. Requirements of Vesting and period of Vesting:

Options granted under ESOP 2020 shall vest not earlier than minimum period of **1 (one) year** and not later than maximum period of **4 (four) years** from the date of Grant.

The vesting dates in respect of the options granted under the ESOP 2020 shall be determined by the Committee and may vary from an employee to employee or any class thereof and/ or in respect of the number or percentage of options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

E. Maximum period within which the options shall be vested:

All the options granted on any date shall vest not later than maximum period of **4 (four) years** from the date of Grant as stated above.

F. Exercise price or pricing formula:

The Exercise Price shall be determined by the Committee at its sole discretion which shall not be less than the face value of the Share and not greater than the Market Price of the Share as on date of Grant of such Option.

G. Exercise period, the process of exercise and conditions for lapse of options:

The exercise period would commence from the date of vesting and will expire on completion of 4years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested option shall be exercisable by the option grantees by a written application to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the option grantee. The options shall lapse if not exercised within the specified exercise period.

Exercise in case of separation from employment:

Subject to maximum Exercise Period stated above, the Vested Options can be exercised as under:

S. No.	Events of separation	Vested Options	Unvested Options
1	Resignation	All the Vested Options as on the date of submission of resignation shall be exercisable by the Option Grantee on or before his/her last working day in the Company.	All the Unvested Options as on date of submission of resignation shall stand cancelled with effect from date such resignation.
2	Termination due to Misconduct	All the Vested Options at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand cancelled with effect from the date of such termination.
3	Retirement	All the Vested Options as on the date of Retirement shall be exercisable by the Option Grantee immediately after, but within the period of 90 days from his/ her last working day in the Company.	All Unvested Options on the date of Retirement shall stand cancelled with effect from date of Retirement.
4	Death	All Vested Options may be exercised by the Option Grantee's nominee and in absence of nomination all Vested Options may be exercised by the Option Grantee's legal heir immediately after, but within the period of 240 days from the date of death of the Option Grantee.	All the Unvested Options as on date of death shall vest immediately in the Option Grantee's nominee and in absence of nomination all Unvested Options may be exercised by the Option Grantee's legal heir and can be exercised in the manner defined for Vested Options.
5	Permanent Incapacity	All Vested Options may be exercised by the Option Grantee's nominee and in absence of nomination all Vested Options may be exercised by the Option Grantee's legal heir immediately after, but within the period of 240 days from the date of permanent incapacity of the Option Grantee.	All the Unvested Options as on date of permanent incapacity shall vest immediately in the Option Grantee's nominee and in absence of nomination all Unvested Options may be exercised by the Option Grantee's legal heir and can be exercised in the manner defined for Vested Options.
6	Abandonment of employment	All the Vested Options shall stand cancelled with effect from such date as determined by the Committee.	All Unvested Options shall stand cancelled with effect from such date as determined by the Committee.

H. Lock-in period, if any

Shares issued pursuant to exercise of options shall not be subject to any lock-in period.

I. Appraisal process for determining the eligibility of employees under the ESOP 2020:

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 like tenure of association with the Company, performance during the previous year(s), contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, to attract new talents and to retain them for ensuring sustained growth, etc.

J. Maximum number of options to be issued per employee and in aggregate:

The maximum number of options to be granted to a single employee under the ESOP Plan shall not exceed the total number of options mentioned in Para B above, as may be determined by the Committee on a case to case basis, subject however, the maximum number of options, during any one year, shall not be equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of option.

Further, the maximum number of options to be granted, in aggregate, to all the Employees covered under the Plan shall be as per the limit provided under Para B above.

K. Maximum quantum of benefits to be provided per employee under the ESOP 2020:

Apart from grant of options as stated above, no monetary benefits are contemplated under the ESOP 2020.

L. Route of ESOP 2020 implementation:

The ESOP 2020 shall be implemented and administered directly by the Company.

M. Source of acquisition of shares under ESOP 2020:

The ESOP 2020 contemplates issue of fresh/ primary shares by the Company.

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

This is currently not contemplated under the present ESOP 2020.

O. Maximum percentage of secondary acquisition:

This is not relevant under the present ESOP 2020.

P. Accounting and Disclosure Policies:

The Company shall follow the IND AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing guidance note or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

Q. Method of option valuation:

The Company shall adopt 'fair value method' for valuation of options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

R. 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 options 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.

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 as per Regulation 6 of the SEBI SBEB Regulations.

The Board recommends the special resolutions as set out in item nos. 1,2 & 3 of this Notice for the approval of the Members, by way of postal ballot including e-voting, in the interest of the Company.

None of the Directors, Key Managerial Personnel of the Company and/ or their relatives are concerned or interested, in any way, in the proposed resolutions, except to the extent they may be granted options lawfully under the ESOP 2020.

Item No. 4

The tenure of Mr. Rajesh Mittal [DIN: 00240900] as a Chairman cum Managing Director of the Company is going to expire on 31st December, 2020.

The Board of Directors at its Meeting held on 4th November, 2020, subject to approval of Members of the Company, has accorded its approval to re-appoint Mr. Rajesh Mittal [DIN: 00240900] as Chairman cum Managing Director of the Company, liable to retire by rotation, for a further period of five years with effect from January 1, 2021, on the terms and conditions including remuneration as mentioned above. The same was recommended by the Nomination and Remuneration Committee at its meeting held earlier that day to the Board for its approval.

Mr. Rajesh Mittal is a related party as per Section 2(76) of the Companies Act, 2013. As per section 177(4)(iv) of the Companies Act, 2013, Regulations 18 and 23 of the Listing Regulations, 2015 and as per the amended terms of reference as approved by the Board of the Company, the audit committee has to accord its approval to any related party transaction and accordingly the Audit Committee at its meeting held on 4th November, 2020 discussed and approved the same agenda for the approval of the Board.

Considering operations of the Company and increased involvement of Mr. Rajesh Mittal for the overall growth of the Company especially in respect of setting-up of new manufacturing unit, streamlining the production capacities of existing units, exploring new domestic markets, deeper penetration of existing markets and enhancing brand value through various initiatives including scale of operations of the Company, the above proposal to re-appoint Mr. Rajesh Mittal [DIN: 00240900] as a Chairman cum Managing Director of the Company, liable to retire by rotation, for a further period of five years, is in the interest of the Company.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from 1st April, 2019, any payment of remuneration to the executive directors of the Company being promoters or members of the promoter group in excess of higher of rupees 5 crore or 2.5 per cent of the net profits to one such director or 5% of net profits in aggregate to all such directors will require the approval of the members of the Company by way of a special resolution. Since there is re-appointment of Mr. Rajesh Mittal, promoter of the Company, the Company has to take approval of the Members of the Company for payment of remuneration to Mr. Rajesh Mittal [DIN: 00240900] as Chairman cum Managing Director of the Company, being promoters or members of the promoter group in excess of the said limits.

Though the remuneration in excess of the prescribed limits to the Executive Directors of the Company being promoters or members of the promoter group was approved by the Shareholders of the Company earlier in terms of the Regulation 17(6)(e) of the SEBI LODR, the approval of the Members of the Company is required afresh for the payment of excess remuneration in terms of said Regulation to Mr. Rajesh Mittal being promoter, since his term is going to expire on 31.12.2020.

Save and except Mr. Rajesh Mittal and his relative Mr. Sanidhya Mittal, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the accompanying Notice.

The Board recommends the resolution set forth in Item No.4 of the Notice for the approval of the shareholders as a special resolution by way of postal ballot including e-voting.

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2), the details of Mr. Rajesh Mittal [DIN: 00240900] seeking re-appointment as a Chairman cum Managing Director of the Company through Postal Ballot including e-voting are provided below.

Name of the Director	Mr. Rajesh Mittal (DIN 00240900)
Father's Name	Late Sanwarmal Palriwal
Age and Date of Birth	58 yrs. (Date of Birth: 10 November, 1962)
Date of first Appointment	28.11.1990
Experience/Expertise in specific functional areas	Mr. Rajesh Mittal, holds a bachelor's degree in commerce from the University of Dibrugarh, Assam. He started his career by setting up a saw mill unit at Tizit, Nagaland through Green Timber Industries Private Limited. He has been associated with the Company since inception. He has over thirty four years of experience in the fields of finance, factory operations, corporate governance, administration, sales and marketing.
Qualification	B.Com.
Directorship held in other Companies	Listed Entity(ies): Nil Unlisted Entity(ies): 1. RS Homcon Limited 2. Dholka Plywood Industries Private Limited 3. Awadh Maintenance Private Limited 4. S. M. Management Private Limited 5. Brijbhumi Tradevin Private Limited 6. Mastermind Shoppers Private Limited 7. R. M. Safeinvest Private Limited 8. Greenply Industries (Myanmar) Private Limited 9. Greenply Alkema (Singapore) Pte. Ltd. 10. Greenply Gabon SA 11. Greenply Middle East Limited 12. Greenply Holdings Pte. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Nil Member: 1. Stakeholders Relationship Committee 2. Nomination and Remuneration Committee 3. Audit Committee 4. Corporate Social Responsibility Committee 5. Operational Committee
Chairman/Member of the committee of the Board of Directors of other companies in which he is a director	Nil
Number of Equity Shares held in the Company	30,79,900 equity shares of Re.1/- each
Number of Board Meetings attended during the Financial year 2019-20	4 (four) out of 4 (four) Board Meetings
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Father of Mr. Sanidhya Mittal, Joint Managing Director

Place: Kolkata
Date: November 4, 2020

Registered Office:
Makum Road
P.O. Tinsukia, Assam - 786 125

By order of the Board
For **Greenply Industries Limited**

Kaushal Kumar Agarwal
Company Secretary &
Vice President-Legal