

ABOUT SES

Stakeholders Empowerment Services (SES) is a Corporate Governance Research and Advisory Firm. SES assists Investors to analyze Governance Practices including matters relating to sustainability, prevalent at Listed Entities and empower Investors to undertake meaningful engagement with Investee Entities.

SES SERVICES

E-BRSR Tool: Online web-based platform to create **BRSR Report** by the Company and generate **XBRL** in seamless, cost and time effective manner

Already subscribed by HUL, Maruti, TVS Motors, Kansai Nerolac, CDSL, Hero, L&T, Wipro, Bharat Forge, Reliance Group and many others. [Read More](#)

Contact for Demo – esgdata@sesgovernance.com

SES AIMS:

Designed primarily for Institutional Investors to carry out their stewardship activities in an efficient manner.

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Proxy Advisory:

Advises Investors on the matters that require shareholder approval at Listed Entities and identify Governance Issues.

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ESG Scores:

Analyze sustainability initiatives of Companies based on various environmental, social and governance factors.

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Corporate Governance Score (CGS):

CGS model measures the Company's compliance and also evaluates the Governance Practices with respect To Global Benchmarks. [Read More](#)

E-Ballot:

A web-based, one-stop vote management system to cater to the requirements of Institutional Investors.

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Proxy Advisory Report (Addendum)

Gujarat Fluorochemicals Ltd

COMPANY INFORMATION

BSE CODE: 542812

NSE SYMBOL: FLUOROCHEM

ISIN: INE09N301011

Industry: Specialty Chemicals

Email: bvdesai@gfl.co.in

Phone: +91 1975 297843

Registered Office: Plot No. 1, Khasra Nos. 264 to 267 Industrial Area, Una, Village Basal - 174303, Himachal Pradesh

MEETING DETAILS

Meeting Type: PB

Voting Deadline: 12th December, 2025

Notice Date: 11th November, 2025

Notice: [Click here](#)

Annual Report: [FY 2024-25](#)

SES PA Report (Last AGM): [Report](#)

E-VOTING DETAILS

e-Voting Platform: [NSDL](#)

Cut-off Date: 7th November, 2025

Remote E-voting:

- **Start:** 13th November, 2025
- **Ends:** 12th December, 2025

ADDENDUM REPORT RELEASE DATE: 9th December, 2025

Research Analyst: Pravar Bhatnagar

Conflict Disclosure: SES - No Conflict | Analyst - No Conflict



ADDENDUM

There is no change in the SES Recommendations on any resolution. However, shareholders may take note of the Company's clarification and SES' comments thereon.

BACKGROUND

SES as per its policy, had emailed its PA Report ([Weblink](#)) to the Company on 3rd December, 2025 in respect of the ongoing PB of the Company.

Post release of PA Report, SES received an email from the Company on 3rd December, 2025. The Company, through the email, provided its view point, which is reproduced at the last in [blue text](#).

It may be noted that the email of the Company dated 3rd December, 2025 (as per SES policy framed to comply with SEBI Circular dated 3rd August, 2020 [SEBI/HO/IMD/DF1/CIR/P/2020/147](#)) has already been forwarded to SES clients as it is, without any inputs from SES.

This Addendum provides appropriate responses of SES, wherever required.

SES COMMENTS TO COMPANY'S RESPONSE

Company's View:

Clarification on above remark: Section 152(6) of the Companies Act, 2013 states that,

- (a) Unless the articles provide for the retirement of all Directors at every annual general meeting, not less than two-thirds of the total number of Directors of a public company shall—
- (i) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
 - (ii) save as otherwise expressly provided in this Act, be appointed by the company in general meeting.
- (b) The remaining Directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.
- (c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first Directors are appointed in accordance with clauses (a) and (b) and at every subsequent annual general meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.
- (d) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
- (e) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

Explanation.—For the purposes of this sub-section, “total number of Directors” shall not include independent Directors, whether appointed under this Act or any other law for the time being in force, on the Board of a company.

Further, we would like to draw your attention on Para 2 of the Article 58 of the Articles of Association of the Company to be amended, states that “Managing Director, Deputy Managing Director and Independent Directors of the Company shall not be liable to retire by rotation. All other Directors will retire by rotation as provided in Section 152 of the Companies Act, 2013.”

The Computation for Directors liable to retire by rotation pursuant to Section 152(6) of the Companies Act, 2013 read with Article 58 of the Articles of Association of the Company is as under:



S. No.	Name of Directors	Designation	Directors liable to retire by rotation pursuant to section 152(6)(a) of the act	Directors liable to retire by rotation as per Article 58 of AOA	Total no. of directors liable to retire by rotation pursuant to Sec. 152(6)(a) read with AoA
1.	Mr. Vivek Jain	Managing Director	✓	✗	✗
2.	Dr. Bir Kapoor	Deputy Managing Director	✓	✗	✗
3.	Mr. Shailendra Swarup	Independent Director	✗	✗	✗
4.	Mr. Shanti Prashad Jain	Independent Director	✗	✗	✗
5.	Mr. Om Prakash Lohia	Independent Director	✗	✗	✗
6.	Mr. Chandra Prakash Jain	Independent Director	✗	✗	✗
7.	Ms. Vanita Bhargava	Independent Director	✗	✗	✗
8.	Mr. Devendra Kumar Jain	Director	✓	✓	✓
9.	Mr. Niraj Kishore Agnihotri*	Whole-time Director	✓	✓	✓
10.	Mr. Shesh Narayan Pandey*	Whole-time Director	✓	✓	✓

*Their appointments are subject to the approval of the shareholders, which is placed before the shareholder via Postal Ballot Notice dated 11th November, 2025.

Considering the above, pursuant to Section 152(6) of the Companies Act, 2013 read with Article 58 of the Articles of Association of the Company total number of directors liable to retire by rotation is 3 (three) directors.

Hence, Directors liable for retirement = 2 ($3 \times \frac{2}{3}$)

One-third of Directors liable for retirement = 1 ($2 \times \frac{1}{3}$)

In view of the above, the Company is compliant with the provisions of Section 152 of the Companies Act, 2013 and request you to change your remark of non-compliance of Section 152 on page no. 6 of the said report.

SES Reply: Shareholders may take note of the clarification provided by the Company. Further, SES reiterates that it has only highlighted the issue in its PA Report for the Company and its shareholders to address the same and not raised any governance concern, in this regard.

SES has highlighted an observation in its [PA report](#) relating to non-compliance under section 152 of the Companies Act, 2013. In response, the Company has provided its computation of the requisite no. of directors liable to retire by rotation, based on simultaneous reading of the Articles of Association (AoA) along with the Companies Act, 2013. The Company has excluded the Managing Director and Deputy Managing Director from the above-quoted computation as per AoA.

On the contrary, SES has observed that, in order to be maintain compliance with the provisions of Section 152 of the Companies Act, 2013, 3.33 or 4 ($2 \times \frac{5}{3}$) are required to be liable to retire by rotation.

Moreover, SES also highlights Section 6 of the Companies Act, 2013 **which clearly stipulated that the Act have the authority to override any provisions under the AOA/MOA that may be in contravention.**

Section 6: Act to Override Memorandum, Articles, etc.

Save as otherwise expressly provided in this Act—



(a) the provisions of this Act shall have effect notwithstanding anything to the contrary contained in the memorandum or articles of a company, or in any agreement executed by it, or in any resolution passed by the company in general meeting or by its Board of Directors, whether the same be registered, executed or passed, as the case may be, before or after the commencement of this Act; and

(b) any provision contained in the memorandum, articles, agreement or resolution shall, to the extent to which it is repugnant to the provisions of this Act, become or be void, as the case may be.

Hence, in the present case, the Article that deems the MD and Deputy MD as non-retiring will be rendered void as per the provisions of Section 6 of the Companies Act. Accordingly, in order to comply with the Act, the computation should include either the Managing Director or the Deputy Managing Director eligible as liable to retire by rotation. The correct basis of computation according to the Act is therefore considered five non-independent directors (NIDs) instead of three.

While shareholders may take note of the above response and comments, there is no impact on SES recommendation.

COMPANY'S EMAIL

Dear *****,

Please find attached herewith Company's response related to Voting Recommendation on the Shareholders Resolutions proposed by the Company via. Postal Ballot Notice dated 11th November, 2025 for your kind perusal.

Request you to kindly attached Company's Response along with your Proxy Advisory Report.

Attachment Link – [Click here](#)



Disclaimer Sources

Only publicly available data has been used while making the report. Our data sources include Notice of Shareholders' Meeting, BSE, NSE, SEBI, Capitaline, MCA, Moneycontrol, Businessweek, Reuters, Annual Reports, Sustainability Reports, IPO Documents and Company Website.

Analyst Certification

The Analyst(s) involved in development of this Report certify that no part of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this Report. The concerned Research Analyst(s) and Director(s) do not have any pecuniary relationship with the Reported Company, except that they may be holding miniscule shares in the Company which does not impact their independence in respect of this Report.

SES may be a shareholder in the Company holding equity shares as disclosed on its [website](#). The objective of SES' investment is solely to obtain Shareholders' communications from the Company as a shareholder.

CAUTIONARY STATEMENT

The recommendations made by SES are based on publicly available information and conform to SES's stated Proxy-Advisory Guidelines. SES opinion is based on SES's interpretation of law and governance benchmarks, which may differ from opinion/ benchmarks of other analysts or practitioners. Further, SES analysis is recommendatory in nature and reflects how SES would have voted if it was a shareholder. Therefore, SES expects that the clients will evaluate the effect of their vote on their investments independently and diligently and will vote accordingly. Subscribers may also carry out an impact analysis of their votes and keep the same as an addendum for their records. In our opinion, Institutional investors are positioned significantly differently from other shareholders due to their ability to engage with the board and the management to bring out desired result. As a firm, it is our endeavour to improve the level of corporate governance while not causing any disruption in company's proceedings and therefore we respect the independence of investors to choose alternate methods to achieve similar results.

Disclaimer

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All disputes shall be subject to jurisdiction of High Court of Bombay, Mumbai.

Concern terminology

NC – Compliance Concern: The Company has not met statutory compliance requirements

FC – Fairness Concern: The Company has proposed steps which may lead to undue advantage to a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders

GC – Governance Concern: SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.

TC - Disclosures & Transparency Concern: The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.

Company Information



Stakeholders Empowerment Services

SEBI Reg. No. INH000000016
CIN No. -

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Warning

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

