



Process  
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Annual Report  
2020-2021

# AXTEL INDUSTRIES LIMITED

## TWENTY NINTH ANNUAL REPORT 2020-2021

BOARD OF DIRECTORS	: 1. Shri Ajay Naishad Desai, Executive Director 2. Shri Ajay Nalin Parikh, Executive Director 3. Shri Ajit Singh Bubber, Non-Executive Director 4. Shri Ameet Nalin Parikh, Non-Executive Director 5. Shri Sandeep Lalwani, Independent Director 6. Shri Nimish Patel, Independent Director 7. Smt. Deepti Sharma, Independent Director
COMPANY SECRETARY	: CS Purna Sudeep Bokil
CHIEF FINANCIAL OFFICER	: Mr. Rajendra K. Bhavsar
AUDITORS	: VCA & Associates, Chartered Accountants, Vadodara.
BANKERS	: Bank of Baroda, Halol
REGISTERED OFFICE & WORKS	: Vadodara-Halol Highway, Baska, Panchmahal-389350, Gujarat Tel : [02676] 247900 Fax : [02676] 247125
Corporate Identification Number (CIN)	: L91110GJ1991PLC016185
E-mail address	: <a href="mailto:info@axtelindia.com">info@axtelindia.com</a>
Website	: <a href="http://www.axtelindia.com">www.axtelindia.com</a>

## NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the members of Axtel Industries Limited will be held at 11.00 a.m. on Wednesday 15<sup>th</sup> September, 2021 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the reports of the Board of Directors and the Auditors thereon.
2. To re-appoint a Director in place of Shri Ajitsingh Mohansingh Bubber (DIN 00454111), who retires by rotation and being eligible offers himself for re-appointment.
3. To declare dividend for the financial year ended 31<sup>st</sup> March, 2021.

### SPECIAL BUSINESS :

4. To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

"RESOLVED that pursuant to section 196,197,203 and other provisions applicable, if any and schedule V of the Companies Act, 2013 consent of the members of the Company be and is hereby given for the re-appointment of Shri Ajay Naishad Desai (DIN:00452821) as Executive Director of the Company for a period of five years with effect from the 1<sup>st</sup> March, 2022 on the terms and conditions as detailed hereunder, with a liberty to the Board of Directors of the Company to modify the said terms and conditions within the limits prescribed/which may be prescribed in schedule V of the Companies Act, 2013 and any amendment thereof from time to time:

[i] Salary:

Not exceeding Rs.15,00,000 (Rupees Fifteen Lac Only) per month [including perquisites and other allowance, if any]

[ii] Perquisites and other allowances:

Perquisites and other allowances shall also be allowed in addition to salary. However, total managerial remuneration by way of salary, perquisites and other allowances shall not exceed the overall limit of Rs.1,80,00,000 (Rupees One Crore Eighty Lac Only) per annum.

[iii] Gratuity payable should not exceed half a month's salary for each completed year of service.

[iv] Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

[v] Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the individual appointee concerned.

RESOLVED FURTHER THAT remuneration payable as above is fixed for a period of 3 years [i.e. from 1<sup>st</sup> March, 2022 to 28<sup>th</sup> February, 2025] and thereafter remuneration for remaining period of his term as Executive Director will be fixed by passing special resolution at the general meeting as per schedule V of the Companies Act, 2013.

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act 2013 and rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 60,000 (Rupees Sixty Thousand Only) and re-imbursement of out of pocket expenses, which may be incurred by M/s K. H. Shah & Co., Cost Accountants in Practice, who has been appointed by the Board of Directors on the recommendation of Audit Committee, as the Cost Auditor of the Company for the financial year 2021-22, be and is hereby ratified.

By the Order of the Board of Directors

Date: 27/05/2021

Registered Office :

Vadodara-Halol Highway

Baska, Panchmahal-389350

Gujarat

Ajay Naishad Desai

Executive Director

DIN: 00452821

**NOTES:**

- 1) In view of the continuing outbreak of COVID-19 pandemic situation, the Ministry of Corporate Affairs ("MCA") has vide its circulars dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") & Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (referred to as "SEBI Circular") and recent MCA General Circular No. 2/2021 dated January 13, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 for further extending the period of holding AGM through VC permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue to follow social distancing norm and the continuing restriction on movement of persons at several places in the country.

In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA and SEBI Circulars issued from time to time, the AGM of the Company is being held through VC / OAVM.

- 2) The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
- 3) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 4) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to investors@axtelindia.com with a copy marked to enotices@linkintime.co.in
- 5) The register of members and share transfer book will remain closed from Thursday, the 9<sup>th</sup> September, 2021 to Wednesday, the 15<sup>th</sup> September, 2021 [both days inclusive]. Members may join the 29<sup>th</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10:30 a.m. IST i.e. 30 minutes before the time scheduled to start the 29<sup>th</sup> AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 29<sup>th</sup> AGM.

Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

- 6) As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited ("LIPL") for assistance in this regard.
- 7) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with LIPL in case the shares are held by them in physical form.
- 8) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to LIPL in case the shares are held by them in physical form.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent.

- 9) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company before 7 days of the date of AGM through email on investors@axtelindia.com. The same will be replied by the Company suitably.
- 10) Pursuant to Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to LIPL

in case the shares are held in physical form.

- 11) The company has created an exclusive E-mail Id: investors@axtelindia.com for quick redressal of shareholders/investors grievances.
- 12) In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 read with circular issued by MCA dated January 13, 2021 and SEBI Circular dated January 15, 2021, notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.axtelindia.com.
- 13) In terms of Section 152 of the Companies Act, 2013, Shri Ajitsingh Mohansingh Bubber (DIN 00454111), Director retires by rotation at the ensuing annual general meeting and being eligible, offers himself for reappointment.
- 14) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company is pleased to provide E-voting facility through Link Intime India Private Limited (LIIP) for all the members of the Company to enable them to cast their votes electronically.
- 15) The Board of Directors of the Company has appointed Mr. Dineshchandra Mangaldas Mehta of M/s. Dinesh Mehta & Co., Company Secretary in Practice as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- 16) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the cut-off date i.e 8th September, 2021, Wednesday. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. 8th September, 2021, Wednesday only, shall be entitled to avail the facility of e-voting / Poll.
- 17) The Scrutinizer, after scrutinising the votes cast at the meeting through e-voting and through remote e-voting will, not later than 48 hours of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.axtelindia.com and the results shall simultaneously be communicated to the Bombay Stock Exchange.
- 18) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting.
- 19) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this notice.
- 20) Explanatory statement setting out all material facts concerning the special business u/s102 of the Companies Act, 2013 is annexed hereto.

### **VOTING THROUGH ELECTRONIC MEANS**

#### **The instructions for e-voting are attached herewith:**

- i) 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, and Regulation 44 of the SEBI LODR Regulations the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

The instructions for e-voting are given herein below:

- ii) The remote e-voting period begins from 9.00 a.m. (IST) on 12th September, 2021 and end e-voting at 5.00 p.m. (IST) on 14th September, 2021. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8th September, 2021, may cast their vote electronically.  
The e-voting module shall be disabled by Link In time for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- iii) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.
- iv) The details of the process and manner for remote e-voting are explained herein below:

❖ "How to Log-in to e-Voting website of Link Intime India Private Limited (LIPL) for remote e-voting:

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9<sup>th</sup> June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.</li> <li>After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> <li>Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>

<p><b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b></p>	<ol style="list-style-type: none"> <li>Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>Click on <b>"Sign Up"</b> under <b>'SHARE HOLDER'</b> tab and register with your following details: - <ol style="list-style-type: none"> <li><b>User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> <li>Shareholders/ members holding shares in <b>physical form</b> but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</li> </ul> </li> </ol> </li> <li>Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>Click "confirm" (Your password is now generated).</li> <li>Click on 'Login' under <b>'SHARE HOLDER'</b> tab.</li> <li>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on <b>'Submit'</b>.</li> <li>After successful login, you will be able to see the notification for e-voting. Select <b>'View'</b> icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option <b>'Favour / Against'</b> (If you wish to view the entire Resolution details, click on the <b>'View Resolution'</b> file link).</li> <li>After selecting the desired option i.e. Favour / Against, click on <b>'Submit'</b>. A confirmation box will be displayed. If you wish to confirm your vote, click on <b>'Yes'</b>, else to change your vote, click on <b>'No'</b> and accordingly modify your vote.</li> </ol>
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**Institutional shareholders:**

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

**Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

#### Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

#### Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.

#### InstaVote Support Desk

Link Intime India Private Limited

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- Select the " <b>Company</b> " and ' <b>Event Date</b> ' and register with your following details: -
<p><b>A. Demat Account No. or Folio No:</b> Enter your 16 digit Demat Account No. or Folio No</p> <ul style="list-style-type: none"> <li>Shareholders/ members holding shares in <b>CDSL demat account shall provide 16 Digit Beneficiary ID</b></li> <li>Shareholders/ members holding shares in <b>NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID</b></li> <li>Shareholders/ members holding shares in <b>physical form shall provide</b> Folio Number registered with the Company</li> </ul> <p><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</p> <p><b>C. Mobile No.:</b> Enter your mobile number.</p> <p><b>D. Email ID:</b> Enter your email id, as recorded with your DP/Company.</p>
- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

#### Instructions for Shareholders/ Members to speak during the Annual General Meeting through InstaMeet:

- Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on [investors@axtelindia.com](mailto:investors@axtelindia.com), specific email id created for the general meeting.
- Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
- Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
- Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
- Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

#### Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:



1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by LIPL at <https://instavote.linkintime.co.in> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.  
Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of LIPL.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [investors@axtelindia.com](mailto:investors@axtelindia.com) before 3 days of AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
4. The remote e-voting process will be available from 9.00 a.m. (IST) on 12th September, 2021 and end e-voting at 5.00 p.m. (IST) on 14th September, 2021.

#### **Other Instructions**

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.axtelindia.com](http://www.axtelindia.com) immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

#### **Explanatory statement in respect of the special business u/s 102 of the Companies Act, 2013**

##### **Item No.4**

Shri Ajay Naishad Desai was re-appointed as Executive Director of the Company for a period of five years w.e.f. 1<sup>st</sup> March, 2017 as per special resolutions passed by the members of the Company at the annual general meeting of the Company held on 30<sup>th</sup> September, 2016.

Shri Ajay Naishad Desai is looking after the marketing and administration department of the Company. The audit committee has recommended to re-appoint him as Executive Director of the Company for a period of five years w.e.f. 1<sup>st</sup> March, 2022 and

Nomination and remuneration committee of the Company has recommended to pay him remuneration of Rs.15,00,000 per month. The information required as per clause iv of proviso of section II of part II of schedule V of the Companies Act, 2013 is furnished hereunder:

**I. General Information:**

1. **Nature of Industry :** Engineering industry manufacturing food processing plant, machinery and equipment and dairy machinery since 1993.
2. **Financial Performance :** The Company's net profit after taxation is Rs. 2129.45 lacs for the year ended 31<sup>st</sup> March, 2021
3. **Export Performance:** The Company has made export of Rs. 2609.39 lacs during the year ended 31<sup>st</sup> March, 2021.

**II. Information about Shri Ajay Naishad Desai, Appointee :**

1. **Back Ground Details:** He is a 1<sup>st</sup> Class graduate in Electrical Engineering. He possesses over 40 years of wide and rich experience in the field of process and equipment design for food and pharmaceutical industries.
2. **Past remuneration :** He is paid remuneration of Rs.12,50,000 per month.
3. **Recognition or awards :** Nil
4. **Job profile and his suitability:**
  - Graduated from The Maharaja Sayajirao University at Vadodara in the year 1981 as an Electrical Engineer and having scored a first class. He possesses over 40 years of experience in the field of process and equipment design for food and pharmaceutical industries. A brief overview of his career profile is as follows:
  - 1981-83: Worked as a marketing and sales engineer with M/s Finex Sieves Pvt. Limited, who were at that time a leading company for supply of knowhow and equipment for sieving and straining applications in food, pharmaceutical, chemical, paint, paper and other industries. Shri Ajay Naishad Desai was instrumental in increasing the turnover of the company manifold, which was achieved in a short period.
  - 1985-86: Together with others, he formed a partnership company, Aro-Grad Engineering and set up a workshop to manufacture equipment for food and dairy industries. The first customer of Aro-Grad Engineering was Amul Dairy followed by the National Dairy & Development Board. Shri Ajay Naishad Desai worked closely with eminent personalities such as Dr. Verghese Kurien, Dr. V. H. Shah and others to develop various dairy and food equipment as import substitutes for many large dairies all over India. During this period he gained rich experience in the design, development, manufacture and use of GMP equipment for the dairy, food and pharmaceutical sectors.
  - 1986-92: Promoted Age Technologies Pvt. Limited which was a larger version of Aro-Grad Engineering. This company continued the activities of Aro-Grad Engineering, with a substantially increased manufacturing facility. Age Technologies successfully commissioned various equipment and plants for dairies, food, animal feed and other similar industries. Many of these were import substitutes, eliminating the need for importing similar equipment from advanced countries.
  - 1992-till date, as Executive Director with Axtel Industries Limited since its inception. Due to Mr. Ajay Desai's efforts, Axtel today is the preferred supplier to Indian and MNC food processing companies such as Kraft Foods, Nestle, Cadbury, Glaxo Smith Kline, Heinz, ITC, Unilever and several others in India and abroad. Axtel, under the leadership of Mr. Ajay Desai, has over the last 28 years designed processes/systems equivalent to the best in class.
5. **Remuneration proposed:** Not exceeding Rs.15,00,000/- (Rupees Fifteen Lacs only) per month.
6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** Figure with respect to industry is not available. However, proposed remuneration payable to Shri Ajay Naishad Desai is low comparing his efforts and responsibility as Executive Director of the Company.

7. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:** Shri Ajay Naishad Desai has no pecuniary relationship directly or indirectly with the Company as managerial personnel except remuneration as Executive Director drawn by him and dividend on equity shares, declared if any, by the Company for his shareholding in the Company

**III. Other information:**

1. **Reasons for inadequate profit:** Due to recessionary trend prevailing in India and abroad the Company could not procure more orders and as a result sales and profit could not be increased as expected.
2. **Steps taken or proposed to be taken for improvement:** The Company has expanded its production capacity by expansion of its existing factory shed and installed more machineries to cope with the rise in orders from the clients.
3. **Expected increase in productivity and profits in measurable terms:** As Company is manufacturing tailor made plants / machinery, it is very difficult to give expected production and profits in measurable terms.

**IV. Disclosures:**

Other disclosures have been mentioned in the Board of Directors' report under the heading "Corporate Governance" attached to the annual report.