



# ELECTROTHERM<sup>®</sup>

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Electrotherm  
Kutch Plant

**32<sup>nd</sup>** ANNUAL REPORT  
**2017-18**





# DT-490i Series with DiFOC Power Supply System



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Mukesh Bhandari	<i>Chairman</i>
Mr. Shailesh Bhandari	<i>Managing Director</i>
Mr. Avinash Bhandari	<i>Jt. Managing Director &amp; CEO</i>
Mr. Siddharth Bhandari	<i>Whole Time Director</i>
Mr. Dinesh Mukati	<i>Independent Director</i> (w.e.f. 5th September, 2017)
Mr. Pratap Mohan	<i>Independent Director</i> (w.e.f. 5th September, 2017)
Mr. Arun Kumar Jain	<i>Additional Director</i> (Independent Director) (w.e.f. 19th January, 2018)
Ms. Nivedita Sarda	<i>Additional Director</i> (Independent Director) (w.e.f. 25th May, 2018)
Ms. Sheetal Manhas	<i>Nominee Director</i> (w.e.f. 14th August, 2018)

### KEY MANAGERIAL PERSONNEL

Mr. Pawan Gaur	<i>Chief Financial Officer</i>
Mr. Fageshkumar R. Soni	<i>Company Secretary</i>

### AUDITORS

Hitesh Prakash Shah & Co.	Chartered Accountants (Statutory Auditor)
Bharat Prajapati & Co.	Company Secretaries (Secretarial Auditor)
V. H. Savaliya & Associates	Cost Accountants (Cost Auditor)
RSM Astute Consulting (Guj.) Pvt. Ltd.	Internal Auditor

### REGISTERED OFFICE

A-1, Skylark Apartment,  
Satellite Road, Satellite,  
Ahmedabad – 380015  
CIN : L29249GJ1986PLC009126  
Email : sec@electrotherm.com  
Website: www.electrotherm.com  
Phone: +91-79 - 26768844  
Fax: 91-79 - 26768855

### WORKS

#### Engineering & Projects Division

Survey No. 72, Village: Palodia,  
Taluka: Kalol, Dist: Gandhinagar-382115, Gujarat

#### Special Steel and DI Pipe Division & Electric Vehicles Division

Survey No. 325, N. H. No. 8A, Near Toll Naka,  
Village: Samakhiyali, Taluka: Bhachau,  
Dist: Kutch – 370 140 Gujarat

#### Transmission Line Tower Division

Village: Juni Jithardi Tal: Karjan,  
Dist: Vadodara, Gujarat

### BANKS / FINANCIAL INSTITUTIONS

Edelweiss Asset Reconstruction Company Limited  
Invent Assets Securitisation & Reconstruction Pvt. Ltd.  
Rare Asset Reconstruction Pvt. Ltd.  
(Formerly Raytheon Asset Reconstruction Pvt. Ltd.)  
International Finance Corporation  
Corporation Bank  
Union Bank of India  
Standard Chartered Bank  
Central Bank of India  
Vijaya Bank  
Syndicate Bank

### REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited  
5th Floor, 506 to 508, Amarnath Business Centre-I,  
Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Off. C G Road, Navrangpura, Ahmedabad - 380 009  
Tel No. & Fax. No. : +91-79-2646 5179  
Email : ahmedabad@linkintime.co.in

### 32ND ANNUAL GENERAL MEETING

32nd Annual General Meeting of the members of the  
Company will be held on Friday, 28th September, 2018 at  
10.00 A.M. at Ahmedabad Management Association, ATIRA  
Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015.

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## Dear Shareholders,

Last financial year 2017-18 has witnessed a year of growth for the Indian Economy, making it once again regain its position as the World's fastest growing major economy.

The economy is back on growth path after a few slow quarters on account of demonetization and the implementation of the Goods and Services Tax. The Indian Economy is expected to grow faster, driven by increased economic activity. However, protectionist moves by the US Government and partial retaliation by China have raised concerns about the future of global trade. Higher oil prices and rising inflation expectations on the domestic front remain key challenges to macro growth estimates.

India's GDP growth stood at 6.6% in FY 2017-18 as against projection of 7.2% due to lingering disruptions caused by demonetization of high value currencies last year and the roll out of the Goods and Services Tax (GST) this year.

Currently, the economy seems to be on the path to recovery, with indicators of industrial production, stock market index, auto sales and exports having shown some uptick. India continues to remain as one of the World's fastest growing economies with a projected growth rate of 7.0 - 7.4% in FY 2018-19. The Government's efforts towards enhancing India's attractiveness as an investment destination have started bearing fruits. India has made substantial progress in improving its ranking on various parameters like Ease of Doing Business Index, Competitiveness, Innovation and Logistics Performance. More importantly, for the first time in 14 years, Moody's has raised India's sovereign ratings.

Global crude steel output picked-up significantly in 2017 to a record 1.69 billion tonnes, up 5.4% from 2016. This was driven by sustained production across both developed and developing economies. India's steel production rose by 6.2% in 2017 to a record 101 million tonnes. The growth in the Indian steel sector was driven by improving domestic demand spurred by Government investment in infrastructure sector.

Amongst the larger economies, China witnessed a gradual slowdown in the economic activity but continued to grow in line with expectations. Global steel markets continued their recovery in FY 2017-18 as the global steel demand grew by approximately 2% as compared to the previous year. Steel exports from China declined due to capacity closures leading to a favorable demand-supply balance both in China as well as in the International Markets. This resulted in improved capacity utilizations in the industry, better steel prices and spreads, resulting in an improved industry performance for the year.

India too witnessed growth in steel demand owing to growth across the steel consuming sectors and the Government's continuous push on infrastructure spending. We believe that the steel demand in India will continue to increase in the future with increased capital



and infrastructure investments, including the Make in India initiative, higher urbanization trends, focus on a wider and more inclusive banking network and transition to a more formal economy, including digital initiatives even in rural areas. The Government's initiatives to strengthen the domestic steel industry are also reflected in the National Steel Policy. The Policy endeavors to make the Indian steel industry self-sufficient, sustainable, cost efficient and internationally competitive.

The World Steel Association has projected Indian Steel demand to grow by 6.1% in 2017 and by 7.1% in 2018. The outlook by various agencies has revised the steel sector to stable for FY 2018-19 from negative in FY 2017-18, in view of healthy global and domestic demand growth along with ongoing capacity rationalizations in China. The agencies expect industry participants to exhibit an improvement in operational and financial performance, backed by steady sales realization and margins, supported by an improved demand-supply balance.

Electrotherm has been at the forefront of technology for the last 35 years of its existence and has introduced state-of-the-art and cutting edge indigenous technological products and contemporary processes for the secondary steel making and foundry industry in India and has been competing fiercely against the multinationals. The DTi technology furnace launched last year has been extremely well appreciated by our Customers making steel through the Induction route, specially in view of the lower power consumption it offers. The Engineering division is seeing a huge spurt in the demand of furnaces on account of this. With Government/MOEF/Pollution Control Boards tightening the norms for air pollution control, the Company is also seeing a spurt in demand for Air Pollution Control Equipment used on these induction melting furnaces.

In the Steel and Pipe division, the Company received many approvals from large Governmental and Non-governmental infrastructure projects for supply of TMT Bars. This will help Company substantially increase its capacity utilization of ISU (Integrated Steel Unit) while simultaneously improving price realizations. The Company also received many approvals for supply of recently launched Epoxy Coated TMT Bars for critical infrastructure projects. This should help improve the profit margins in the TMT segment.

The Company owing to operational turnaround and improved cash flows, has settled 80% of total liabilities with banks through the ARC route/direct one time settlements and continues to work hard to resolve debt related issues with remaining Banks.

As we continue our journey to create long-term value for our stakeholders, I would like to thank all the shareholders of the Company for support and reposing confidence in us during the year. I would also like to thank the Governments, Customers, Suppliers and Lenders for their relentless support to the Company. The Employees and the Associates have worked very hard during the year and I would like to thank them for their tireless commitment to the Company. Finally, I look forward to your continued and valuable support in the years to come.

**Mukesh Bhandari**  
Chairman

## NOTICE

NOTICE is hereby given that the **32<sup>nd</sup> Annual General Meeting** of Members of **Electrotherm (India) Limited** will be held on Friday, 28th September, 2018 at 10.00 a.m. at Ahmedabad Management Association (AMA), ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015 to transact the following business :

### ORDINARY BUSINESS:

1. To consider and adopt audited standalone and consolidated financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2018 together with report of Board of Directors and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Avinash Bhandari (DIN : 00058986), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

3. To ratify the remuneration of the Cost Auditors for the financial year ending on 31<sup>st</sup> March, 2019:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration decided by the Board of Directors on the recommendation of the Audit Committee of Rs. 2,00,000 (Rupees Two Lakhs Only) to M/s V. H. Savaliya & Associates, Cost Accountants (Membership No.13867) for conducting the audit of cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2019."

4. To appoint Mr. Arun Kumar Jain (DIN: 07563704) as an Independent Director:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Arun Kumar Jain (DIN: 07563704), who was appointed as an Additional Director of the Company in category of Non-Executive Independent Director with effect from 19<sup>th</sup> January, 2018 and holds office upto the ensuing Annual General Meeting in terms of Section 161 of the Act and being qualified for appointment as an Independent Director and in respect of whom the Company has received a notice in writing from him under Section 160 of the Act, proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for the term upto 18<sup>th</sup> January, 2023."

5. To appoint Ms. Nivedita Sarda (DIN: 00938666) as an Independent Director:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Nivedita Sarda (DIN: 00938666), who was appointed as an Additional Director of the Company in category of Non Executive Independent Woman Director with effect from 25<sup>th</sup> May, 2018 and holds office upto the ensuing Annual General Meeting in terms of Section 161 of the Act and being qualified for appointment as an Independent Director and in respect of whom the Company has received a notice in writing from her under Section 160 of the Act, proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for the term upto 24<sup>th</sup> May, 2023."

6. To appoint Ms. Sheetal Manhas (DIN: 07439658) as a Nominee Director:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Ms. Sheetal Manhas (DIN: 07439658) who was appointed as an Additional Director in the category of a Nominee Director of the Company with effect from 14<sup>th</sup> August, 2018 and holds office up to the ensuing Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing candidature of Ms. Sheetal Manhas for the office of the Director, be and is hereby appointed as a Director (Nominee Director) of the Company whose period of Office shall not be liable to determination by retirement of directors by rotation."

By Order of the Board  
For Electrotherm (India) Limited

Date : 14<sup>th</sup> August, 2018

Place : Palodia

Registered Office:

A-1, Skylark Apartment, Satellite Road,  
Satellite, Ahmedabad – 380 015

Fageshkumar R. Soni  
Company Secretary

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING

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**A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

A PERSON CAN ACT AS PROXY FOR NOT EXCEEDING 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER.

2. A body corporate intending to send their authorized representative(s) to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of resolution of the Board of Directors or other governing body authorizing such representative(s) to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to special business in respect of Item No. 3 to 6 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
4. Information pursuant to Regulation 36(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 with respect to Directors seeking appointment / re-appointment at the Annual General Meeting is attached hereto.
5. Relevant documents referred to in the accompanying Notice and the statement pursuant to section 102(1) of the Companies Act, 2013 are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and National Holidays during business hours up to the date of the Annual General Meeting.
6. The requirement to place the matter relating to ratification of appointment of Auditors by Members at every Annual General Meeting is done away with vide notification dated 7<sup>th</sup> May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 31<sup>st</sup> Annual General Meeting held on 5<sup>th</sup> September, 2017 for a period of five years.
7. Members are requested to bring their copy of the Annual Report to the Meeting.
8. In November, 2017, the Company has transferred the money lying to unpaid / unclaimed dividend account for the year 2009-2010 to Investor Education and Protection Fund established by the Central Government. As such, now there is no money lying to unpaid / unclaimed dividend account pertaining to any of the previous years with the Company.
9. In terms of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, Company has uploaded the data regarding unpaid/unclaimed dividend for the last seven years on the website of the Company [www.electrotherm.com](http://www.electrotherm.com) as well as that of Ministry of Corporate Affairs [www.mca.gov.in](http://www.mca.gov.in).
10. Electronic copy of the Notice convening the 32<sup>nd</sup> AGM of the Company, Annual Report along with attendance slip and Proxy Form are being sent to the members who have registered their email ids with the Company/Depository Participant(s), RTA. For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in the permitted mode. Also the copy of full Annual Report 2017-2018 is available on the Company's website viz. [www.electrotherm.com](http://www.electrotherm.com)
11. In line with the measures of Green Initiative taken by SEBI, Companies Act, 2013 also provided for sending notice of the meeting and other shareholder correspondences through electronic mode, members holding shares in physical mode are requested to register their e-mail ID's with the Company or RTA and Members holding shares in Demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs).
12. Members / Proxies should bring the Attendance Slip sent herewith duly filled & signed in for attending the Meeting and members who hold shares in electronic form are requested to bring their Client ID and DP ID numbers for identification.
13. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her queries to the Company at least 7 (seven) days prior to the meeting so that the required information can be made available at the Meeting.
14. In compliance with the provisions of Regulation 44 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the members are provided with the facility to cast their vote by electronic means through the remote e-voting platform provided by CDSL and the business may be transacted through such voting. The process for remote e-voting is annexed hereto.
15. The Voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the company as on cut-off date i.e. Friday 21st September, 2018.
16. Mr. Dipak Rachchha, Advocate has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
17. The facility for voting through ballot or polling paper shall also be made available at the Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be eligible to exercise their right at the meeting through ballot or poll paper.
18. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
19. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.
20. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and make, not later than three days of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total

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votes cast in favour or against, if any, to the Chairman of the Annual General Meeting or a person authorised by him in writing, who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

21. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.electrotherm.com](http://www.electrotherm.com). The Company shall simultaneously forward the result to BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and CDSL website where the Equity Shares of the Company are listed.

### PROCESS AND MANNER FOR VOTING BY ELECTRONIC MEANS (E-VOTING):

The instructions for members for voting electronically are as under:

- (i) The voting period begins on Tuesday, 25th September, 2018 at 9:00 a.m. and ends on Thursday, 27th September, 2018 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 (record date) of Friday, 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> 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"> <li>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).</li> </ul>

- (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.
- (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 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 use Mobile app - "m - Voting" for e-voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (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](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.



## NOTICE

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

In case of any grievances connected with facility for voting by electronic means, please contact:

Name of Official: Mr. Rakesh Dalvi

Designation: Manager

Address: 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013

E Mail ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Phone No.: 1800225533

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

#### ITEM NO. 3:

The Board of Directors at their Meeting held on 25<sup>th</sup> May, 2018, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. V. H. Savaliya & Associates, Cost Accountants (Membership No.13867), Ahmedabad, to conduct the audit of the cost accounting records of the Company for the financial year ending on 31<sup>st</sup> March, 2019 at a remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only).

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for approving the Ordinary Resolution as set out in Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31<sup>st</sup> March, 2019.

The resolution as set out in Item no. 3 of this Notice is accordingly recommended for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

#### ITEM NO. 4:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is required to appoint Independent Director(s).

Mr. Arun Kumar Jain was appointed as an Additional Director in category of Non Executive Independent Director with effect from 19<sup>th</sup> January, 2018. His appointment is proposed to be regularized at the ensuing Annual General Meeting for a period of five consecutive years upto 18<sup>th</sup> January, 2023, whose period of office shall not be liable to determination by retirement of directors by rotation.

Mr. Arun Kumar Jain, aged 62 years, is a Post Graduate in Maths and was awarded gold medal by Lucknow University. He joined Indian Revenue Services (IRS) in 1978 and completed his LLB from the Delhi University. He has extensive technical experience of 37 years in the field of Direct Taxes including interpretation of complex law, investigation, analysis of accounts of Companies engaged in various business and litigation. He joined the Central Board of Direct Taxes (CBDT) in 2013 and superannuated in 2016 as Chairman of the apex body dealing with policy related to direct taxes and administration of Income Tax Department.

The Company has received notice pursuant to the provisions of Section 160 of the Act from Mr. Arun Kumar Jain signifying his intension to propose himself as an Independent Director of the Company.

The Company has received declaration from Mr. Arun Kumar Jain confirming that he is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has also received declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Arun Kumar Jain does not hold any equity shares of the Company. Mr. Arun Kumar Jain is not related to any other Directors of the Company.

Information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 regarding appointment of Mr. Arun Kumar Jain is attached hereto.

In the opinion of the majority of the Board, Mr. Arun Kumar Jain fulfils the conditions for appointing him as an Independent Director as specified in the Act, the Rules made thereunder and the Listing Regulations and he is independent of the management and considering his vast experience, it would be beneficial to appoint him on the Board of the Company.

The copy of the letter of appointment of Mr. Arun Kumar Jain as an Independent Director setting out the terms and conditions would be available for inspection by members at the Registered Office of the Company during normal business hours on any working days of the Company.

The resolution as set out in Item No. 4 of this Notice is accordingly recommended for your approval.

Except Mr. Arun Kumar Jain, being an appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

## NOTICE

### ITEM NO. 5:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is required to appoint Independent Director(s)/Woman Director.

Ms. Nivedita Sarda was appointed as an Additional Director in category of Non Executive Independent Woman Director with effect from 25<sup>th</sup> May, 2018. Her appointment is proposed to be regularized at the ensuing Annual General Meeting for a period of five consecutive years upto 24<sup>th</sup> May, 2023, whose period of office shall not be liable to determination by retirement of directors by rotation.

Ms. Nivedita Sarda, aged 41 years, is Gold Medallist Chartered Accountant, Certified Treasury Manager and Corporate Lawyer. By profession, she is Advocate. She has an experience of over 19 years gained from prestigious law firms in India and financial institutions. She is the founder Partner of Vedanta law chambers. She acts as legal mentor, advisor, solicitor, project sponsors & coordinator to various government and private entities on business structuring & restructuring, takeovers, joint ventures, business establishments, amalgamations, international trade finance, corporate finance and securities and also involved in advising and working for different companies incorporated in US, Singapore, Germany, Saudi Arabia etc. on certain aspects of its International structured investments, setups trade and regulatory compliance. She has been speaker in national conferences and seminars and at various industry forums on state and national level.

The Company has received notice pursuant to the provisions of Section 160 of the Act from Ms. Nivedita Sarda signifying her intension to propose herself as an Independent Director of the Company.

The Company has received declaration from Ms. Nivedita Sarda confirming that she is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has also received declaration from her that she meets the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Ms. Nivedita Sarda does not hold any equity shares of the Company. Ms. Nivedita Sarda is not related to any other Directors of the Company.

Information as required under Regulation 36(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 regarding appointment of Ms. Nivedita Sarda is attached hereto.

In the opinion of the majority of the Board, Ms. Nivedita Sarda fulfils the conditions for appointing her as an Independent Director as specified in the Act, the Rules made thereunder and the Listing Regulations and she is independent of the management and considering her experience, it would be beneficial to appoint her on the Board of the Company.

The copy of the letter of appointment of Ms. Nivedita Sarda as an Independent Director setting out the terms and conditions would be available for inspection by a member at the Registered Office of the Company during normal business hours on any working days of the Company.

The resolution as set out in Item No. 5 of this Notice is accordingly recommended for your approval.

Except Ms. Nivedita Sarda, being an appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

### ITEM NO. 6:

Ms. Sheetal Manhas was appointed as an Additional Director in the capacity of a Nominee Director of the Company, with effect from 14<sup>th</sup> August, 2018 as per the nomination by Invent Assets Securitisation & Reconstruction Pvt. Ltd., the secured creditor. In terms of the provisions of Section 161 of the Companies Act, 2013, she holds office up to the ensuing Annual General Meeting of the Company. Her appointment is proposed to be regularized at the ensuing Annual General Meeting and her period of office shall not be liable to determination by retirement of directors by rotation.

Ms. Sheetal Manhas, aged 38 years, is a Chartered Accountant and is President with Invent Assets Securitisation & Reconstruction Pvt. Ltd. She is a NPA resolution and revival expert and has more than 18 (eighteen) years of professional experience having worked in the areas of distress asset resolution, debt restructuring, one-time settlements, corporate finance, accounts, audit and cash management systems. She has also worked on several corporate finance transactions having raised project finance and working capital for mid-level and large corporates and has provided other financial advisory and consultancy services to such corporates.

The Company has received notice pursuant to the provisions of Section 160 of the Act from a member signifying his intension to propose the candidature of Ms. Sheetal Manhas as a Nominee Director of the Company.

The Company has received declaration from Ms. Sheetal Manhas confirming that she is not disqualified from being appointed as Director in terms of Section 164 of the Act. Ms. Sheetal Manhas does not hold any equity shares of the Company. Ms. Sheetal Manhas is not related to any other Directors of the Company.

Information as required under Regulation 36(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 regarding appointment of Ms. Sheetal Manhas is attached hereto.

The Nomination and Remuneration Committee and the Board of Directors of the Company with majority recommended the appointment of Ms. Sheetal Manhas as a Nominee Director of the Company.

The resolution as set out in Item No. 6 of this Notice is accordingly recommended for your approval.

Except Ms. Sheetal Manhas, being an appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

By Order of the Board  
**For Electrotherm (India) Limited**

Date : 14<sup>th</sup> August, 2018

Place : Palodia

**Registered Office:**

A-1, Skylark Apartment, Satellite Road,  
Satellite, Ahmedabad – 380 015

**Fageshkumar R. Soni**  
Company Secretary