

41st Annual Report

2019 - 2020



"we always know who we're working for"

Design

LAND



Customised Power Supplies



Integrated Vehicular Shelter

HF-DF Antenna



AIR

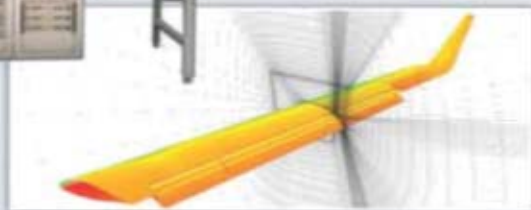
Automatic Test Equipment



Airborne Customized Power Supply



Low Noise Wing

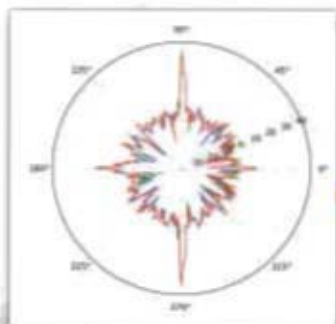


Power Distribution Sys

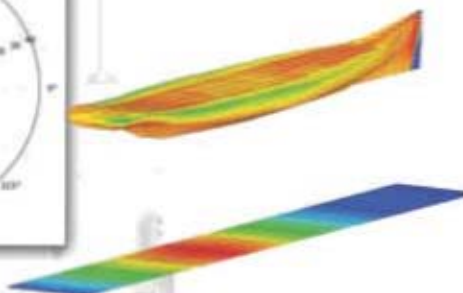


SEA

Radar Cross Section



ELF Signature of a Ship



Marine Switch Board/Ra



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BOARD OF DIRECTORS & COMMITTEES

Board of Directors

Maj. Gen. Lav Bikram Chand	Chairman
Mr. Ashok Kumar Kanodia	Managing Director
Mr. Nikhil Kanodia	Whole Time Director cum President
Mr. Hardeep Singh Banga	Director
Mr. Neeraj Bajaj	Director
Mr. S.K. Kataria	Director
Mr. Deepto Roy	Director
Mr. Rahul Goenka	Director
Ms. Preeti Grover	Director

Stakeholders Grievance Committee

Mr. S.K. Kataria	Chairman
Maj. Gen. Lav Bikram Chand	Member
Ms. Preeti Grover	Member

Audit Committee

Mr. S.K. Kataria	Chairman
Mr. Neeraj Bajaj	Member
Mr. Deepto Roy	Member

Nomination and Remuneration Committee

Mr. S.K. Kataria	Chairman
Mr. Neeraj Bajaj	Member
Mr. Deepto Roy	Member

COMPANY SECRETARY CUM COMPLIANCE OFFICER

Ms. Veenita Puri

STATUTORY AUDITORS

M/s Nemani Garg Agarwal & Co.

CHIEF FINANCIAL OFFICER

Mr. Jagjit Singh Chopra

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153/A First Floor,
Okhla Industrial Area, Phase - I
New Delhi - 110 020
Contact No. - 011-64732681

BANKER OF THE COMPANY

South Indian Bank, Noida Branch

LISTED ON

Bombay Stock Exchange

CORPORATE IDENTITY NUMBER (CIN)

L32104DL1979PLC009590

ISIN No.

INE143C01024

STOCK CODE

517258

PLANTS

At Noida

D-10, Sector-3, Gautam Budh Nagar,
Noida-201301, (U.P.)

At Roorkee

Plot No. 9 & 10, KIE Industrial Estate,
Village Mundiyaniki (Manglore), Roorkee,
Haridwar-249406, Uttarakhand (India)

REGISTERED OFFICE

D-1081, New Friends Colony,
New Delhi-110025

CORPORATE OFFICE

D-10, Sector-3, Gautam Budh Nagar,
Noida-201301, (U.P.)

PRECISION ELECTRONICS LIMITED

CIN: L32104DL1979PLC009590

Regd. Office: D-1081, New Friends Colony, New Delhi - 110025

Phone: 120 2551556/7, Fax: 120 2524337

Email: cs@pel-india.com, Website: www.pel-india.com

NOTICE OF THE 41ST ANNUAL GENERAL MEETING

NOTICE is hereby given that the **41st Annual General Meeting** of Precision Electronics Ltd. (the Company) will be held on Thursday, **September 24, 2020 at 12.00 p.m. 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 year ended on March 31, 2020 together with the Reports of Board of Directors and the Auditor's thereon.
2. To re-appoint Mr. Rahul Goenka, who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. **APPOINTMENT OF MRS. PREETI GROVER AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY:**

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 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company read with Schedule IV of the Companies Act, 2013, Mrs. Preeti Grover (DIN:00128513), Additional Non Executive Director of the Company, who has submitted a declaration in writing that she meets the criteria of independence as provided in Section 149(6) and whose performance evaluation is also done by the Board and is eligible for appointment as an Independent Director of the Company, be and is hereby appointed as an independent Director of the Company for a term of 5 consecutive years."

4. **RE-APPOINTMENT OF MR. ASHOK KUMAR KANODIA AS MANAGING DIRECTOR OF THE COMPANY:**

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 of the Companies Act 2013 (as amended or re-enacted from time to time) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Act, Mr. Ashok Kumar Kanodia (DIN: 00002563), be and is hereby re-appointed as the Managing Director of the Company for a period of 2 years w.e.f 14.08.2020 on the below mentioned terms and conditions:

- i. *Salary: 26,19,727 per annum.*

In addition to Salary, he shall be entitled to the following facilities:

- a) *Medical reimbursement: Medical expenses incurred for self and his family, as per rules of the Company; however not exceeding Rs. 1,20,000/- per year.*
- b) *Leave Travel Allowance: For self and his family, as per rules of the Company; however not exceeding Rs. 2,50,000 once in two years.*

Managing Director shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified in paragraph 1 above:

- a) *Contribution to provident fund, superannuation fund or annuity fund to the extent these are not taxable under the Income Tax Act 1961.*
- b) *Encashment of leave at the end of tenure.*
- c) *Provision for use of chauffeur driven Company Car for official duties and Cellular phone (including payment for local and overseas official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.*
- d) *He will be entitled for Reimbursement of expenses incurred for the business of the Company in any manner whatsoever.*

For aforesaid purpose a family means the spouse, dependent children.

The perquisites to be evaluated as per Income Tax Rules wherever applicable.

10% per annum increase in Salary subject to Nomination and Remuneration Committee recommendation and Board of Directors approval.

Further, in case of loss or inadequacy of profits, he shall be eligible for his entire remuneration, provided that the total remuneration shall not exceed limits as stated in Schedule V of Companies Act, 2013, as amended from time to time.

**By Order of the Board
For Precision Electronics Limited**

**Place: Noida
Date: 13.08.2020**

**Sd/-
Veenita Puri
Company Secretary
cum Compliance Officer**

Notes

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts in respect of the special business of this notice is annexed hereto.
2. In view of the continuing Covid-19 Pandemic, the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 (collectively "MCA Circulars"), and SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, permitted companies to hold their AGM through Video Conferencing/Other Audio Visual Means without the physical presence of the Members at common venue.
3. Since this AGM is being held pursuant to 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 41st AGM and hence the proxy form and attendance slip are not annexed to this notice.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

5. As per the provisions under the MCA Circulars, Members attending the 41st AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
7. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 41st AGM being held through VC/OAVM.
8. Members joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM but shall not be entitled to cast their vote again.
9. The Register of Members and Share Transfer Books of the Company will remain closed from September 18, 2020 to September 24, 2020 (both days inclusive).
10. All documents referred to in the accompanying Notice and the Explanatory Statement and other statutory register will be available for inspection by the Members during the AGM. Members may access the same by writing to the Company at its email id cs@pel-india.com.
11. Members seeking further information about the accounts are requested to write at least 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice and the Annual Report calling the 41st AGM has been uploaded on the website of the Company at www.pel-india.com. The Notice can also be accessed from the websites of the Stock Exchange, BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
13. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Skyline Financial Services Private Limited, compliances@skylinerta.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on September 20, 2020 (09:00 AM) and ends on September 23, 2020 (05:00 PM). During this period the members of the Company, holding shares either in physical form or in dematerialized form, as on September 17, 2020 (cut-off date) may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.

- a. In Compliance with provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the members of the Company whose name appears on the Register of Members as on September 17, 2020 being the cut off date fixed for the purpose, to exercise their right to vote in respect of the resolutions to be passed at the 41st Annual General Meeting.

- b. Instructions for e-voting are as under-
 - I. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - II. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
 - III. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to cast your vote electronically.
 - IV. If you are already registered with NSDL for remote e-Voting, then you can use your existing user ID password to login and cast your vote.

For Members who hold shares in demat account with NSDL, USER-ID is the combination of (DPID + CLIENTID).

For Members who hold shares in demat account with CDSL, USER-ID is 16 digit beneficiary ID.

For Members holding shares in Physical Form, USER-ID is the combination of (Even no. + Folio No.)
- V. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
- VI. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
- VII. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- VIII. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- IX. Now, you will have to click on “Login” button.
- X. After you click on the “Login” button, Home page of e-Voting will open.
- XI. After successful login, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- XII. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- XIII. Select “EVEN” of company for which you wish to cast your vote.
- XIV. Now you are ready for e-Voting as the Voting page opens.
- XV. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- XVI. Upon confirmation, the message “Vote cast successfully” will be displayed
- XVII. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- XVIII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- XIX. Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG format) of the relevant Board resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through email scrutinizer@pel-india.com with a copy marked to evoting@nsdl.co.in.
- XX. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
- XXI. In case of any queries, you may refer the Frequently Asked Question (FAQs) for Shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on toll free no. : 1800-222-990 or send a request at evoting@nsdl.co.in.
- XXII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. September 17, 2020 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or contact Registrar and Share Transfer Agent (Skyline Financial Services Private Limited). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you may generate new password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com.
- XXIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
- XXIV. The Board of Directors has appointed Adv. Munish K Sharma, as the Scrutiniser for scrutinizing the e-voting process in a fair and transparent manner.
- XXV. The Scrutinizer, after the conclusion of voting at the AGM, will first count the e-votes cast at the meeting and thereafter the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the 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 authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XXVI. The results declared along with the report of the Scrutinizer shall be placed on the Company's website www.pel-india.com and on the website of the NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The result shall also be intimated to the Bombay Stock Exchange within 48 hours of the conclusion of the AGM.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@pel-india.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@pel-india.com.

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the 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 to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.