

# 2020

## Annual Report

Resilience to Sustain  
through Headwinds...

# Index Reading

Contents	Page No.
a) Corporate Information	01
b) Message from MD's Desk	02
c) Standalone broad financial highlights	04
d) Notice of 35 <sup>th</sup> Annual General Meeting	05
e) Directors' Report with Annexures	14
f) Standalone Independent Audit Report	72
g) Standalone Financial statement with Notes	80
h) Consolidated Independent Audit Report	121
i) Consolidated Financial statement with Notes	128

## 35<sup>TH</sup> ANNUAL GENERAL MEETING INFORMATION

Date	: September 12,2020
Day	: Saturday
Time	: 11.30 a.m
Mode	: Video Conferencing (VC) / Other Audio Visual Means (OAVM)

## Remote E-Voting Information

E-Voting period starting on	: September 07,2020, Monday (9.00 a.m)
E-Voting Period Ending on	: September 11,2020, Friday (5.00 p.m)
EVEN No.	: 113360
E-voting Facility through	: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>

## Cautionary Statement

Certain expectations and projections regarding the future performance of the company referred in the Annual Report constitute forward-looking statements. These expectations and projections are based on the currently available competitive, financial and Economic data, along with the Company's Operating Plans and are subject to certain future events and uncertainties, which could cause actual results to differ materially from those indicated by such statements.

## BOARD OF DIRECTORS

**Mr. Rangachary N.** Chairman

**Mr. Doraiswamy R.** Managing Director

**Mr. Rajeshkumar D.** Joint Managing Director & CFO

**Mr. Ramachandran P.** Whole Time Director

**Mr. Damodharaswamy R.** (upto 27/11/2019)

**Mr. Jayabal N.**

**Mr. Nirmal Kumar M. Chandria**

**Mr. Sankaran V.**

**Mr. Shah P.K.**

**Mr. Venkatapathy L.**

**Dr. Thilagam Rajeshkumar**

**Dr. Otto Eggimann** (upto 24/05/2020)

**Mr. Vishnu Rangaswamy**

(Additional Director - from 06/02/2020)

## DIRECTOR (CORPORATE AFFAIRS) & COMPANY SECRETARY

Mr. S. Baskarasubramanian

## BANKERS

M/S. Canara Bank

M/S. Citibank N A

M/s. ICICI Bank Limited

M/S. HDFC Bank Limited

M/S. Union Bank Of India

M/s. IDFC First Bank Limited

## AUDITORS

**M/s. JDS Associates**

Chartered Accountant,

R.No.6, 1st Floor, Jewel Complex, 324, Raja Street,  
Coimbatore - 641 001.

## INTERNAL AUDITOR

Covai management Services Coimbatore - 641 011.

## SECRETARIAL AUDITOR

**CS G.Vasudevan** B.COM, LL.B, FCS

Company Secretary in Practice,

No.11A, 1st Floor (Opp. to Park), Collector Sivakumar  
Street, (Opp. Road to Hotel Vijay Paradise, NSR Road,  
Saibaba Colony), K.K. Pudur, Coimbatore - 641 038.

## COST AUDITOR

**CMA A.R. RAMASUBRAMANIA RAJA**

DTT, BCOM, BGL, MBA, FCS, ACMA.,

19, third Street, Gokulam Colony, P.N.Pudur,  
Coimbatore - 641 041.

## SHARE TRANSFER AGENT (PHYSICAL & DEMAT)

**M/s GNSA Infotech Private Limited**

Nelson Chambers, 'F' block, 4th floor # 115, Nelson  
Manickam Road, Aminthakarai, Chennai - 600 029.

Tel: 044-42962025. E-mail:sta@gnsaindia.com

## LISTING ARRANGEMENTS

BSE Limited (Bombay Stock Exchange Ltd) and  
National Stock Exchange Limited

## REGISTERED OFFICE

Samichettipalayam (PO) Jothipuram (Via),  
Coimbatore - 641 047.

Tel: 0422-4233600 / 2692531 Fax: 0422-2692170

E-mail: salzer@salzergroup.com

Website: www.salzergroup.net

## PLANT LOCATIONS

### Unit-I

Samichettipalayam, Jothipuram (Via),  
Coimbatore - 641 047.

### Unit-II

Chinnamaddampalayam,  
Coimbatore - 641 019.

### Unit-III

# 2, Gudalur Village Samichettipalayam,  
Jothipuram (Via), Coimbatore - 641 047.

### Unit-IV

S F No.863, Coimbatore Main Road,  
Bettathapuram, Coimbatore - 641 104.

### Unit-V

S F No.882/3, Coimbatore Main Road,  
Bettathapuram, Coimbatore - 641 104.

# Managing Director's Message

“Resilience to sustain through headwinds ensures a successful & thriving business”

**R. DORAISWAMY** Managing Director



## Dear fellow shareholders,

I would like to begin my message by thanking you for your unwavering support to our Company even in the times when the overall global economy is facing an unprecedented challenging scenario resulting in massive disruption in the industrial growth. The commitment and passion of our employees along with diverse product offerings has helped our Company stay strong and resilient during this period, against the backdrop of immense volatility in our key markets across the spectrum. Admire these challenges our Company has always remained focused on its goals and have been generating value to its stakeholders both by organic and in-organic growth.

The financial year 2019-2020 saw many events like the US- China trade war at the start of the year, the slowdown in the consumption of the domestic economy and a major event in the last quarter of the year being the spread of the COVID-19 virus all across the world resulting in shutting down of manufacturing activities amid lockdown decisions taken by various authorities to prevent the spread of this deadly virus.

Although in the first nine months of the financial year we had been on track with our estimates, the last quarter which supposed to be the biggest quarter of the financial year witnessed a substantial setback with the economic slowdown combined with the lockdown in our country and across the world. However, we have been using this time effectively - planning, fine tuning, re-examining our set goals, constraints and focussing on building a contingency fund for any future crises. Also, to add that the operations at all our factories have started in a phased manner during May and June with all the requisite safety protocols being adhered to in a stringent manner. Since almost all our workforces are local residents, we don't face any issues in

running factory operations during this Pandemic Period. Our employees are working from home wherever possible and the workforce required in the factory are given necessary connectivity to and from workplace with all necessary safety measures in place at all times.

We are being resilient and working on the plans in order to be future ready which will help us grab the opportunities going forward. We also have been looking at how we can do business better & smarter as many things will change post the lifting of complete lockdown. Our focus has always been on driving sustainable growth and increasing efficiencies across all our business with a clear target of improving our returns on capital employed.

## Financial Performance

As a result of the nation-wide lockdown declared in March 2020, the net sales in the fourth quarter and of the year were lower than the same period last year. Due to the eight days lockdown in March 2020, we have lost revenues to the tune of approx. Rs 18-20 cr across all business divisions.

During the year, our Company registered a revenue growth of 1.28% Y-o-Y to Rs. 567 crores from Rs. 560 crores in FY19. Our EBITDA i.e Operating Profit was at Rs. 65.2 crores as against Rs. 63.6 crore in FY19 representing a growth of 2.4%% Y-o-Y. Profit after tax was at Rs. 26.4 crore during the year as compared to Rs. 24.0 crore in FY19, a YoY growth of 10.2%.

This growth was mainly driven by increased contribution from our key business division of Industrial Switchgear which contributed 45% in the full year led by increase in exports to Europe and US markets.

The wires and cables division contributed 47% towards the yearly revenues. Also, during the year, we have successfully commissioned the LAN Cable plant and trial production have started. We have submitted samples to customer for approval and for third party testing. So far, we have seen good enquiries coming from both local and export markets. We expect the revenues to come from end of Second Quarter this current financial year.

Our Building product division, the only B2C business division, contributed 6% towards the revenue. During the financial year the real estate market has been on a slower side and we are yet to see a pickup in demand that has impacted the overall industry. We hope that this changes in the coming quarters with the proactive measures of the Government and will help us to increase our contribution from this division in our overall revenue.

The fourth is the Energy Management division contributing 2% in FY20. This is an order book driven business and revenues have been driven from Annual maintenance contracts.

The Consolidated revenue of our Company and Subsidiary Company Kaycee Industries Ltd for the financial year 2020 was Rs. 584.4 crores with EBITDA & PAT i.e Profit after Tax of Rs. 66.8 crore & Rs. 27.4 crore, respectively.

### Value Creation

Salzer has successfully crossed multiple technology cycles over the last three decades, pivoting and adapting each time to build new capabilities and help our clients realize the benefits of these new technologies. Our responsiveness, agility, and adaptability to change have been core to our endurance.

At a time when the world is wrestling with problems like COVID 19 and slowdown in the economic activities, we at Salzer have taken this time to focus on our internal strengths and formulate strategies that will tide us through these headwinds. Though in this fluid and uncertain environment it is extremely difficult to predict and give FY21 targets, but our internal targets will be to maintain the FY20 performance. Our team of capable engineers working in the R&D department along with the investments made are helping us create customised solutions for our customers and stay connected. Sustainability, for us, has always been the entrepreneurial pursuit of economic opportunities while aligning the interests of the organization with all of our stakeholders. Also the biggest positive seen is that people are going to become more efficient with out of the box thinking, improvement in productivity which will help us in reducing our costs in the long run.

The opportunities ahead are huge. By staying true to our mission and values, and by continually investing in building newer capabilities, we are well in a position to become the preferred partner of choice for enterprises in their growth and transformation journeys.

Furthermore, I would like to share with you all that, during the financial year we have completed the acquisition of Kaycee Industries Limited, a pre independence Company with a legacy of over 75 years. This acquisition will boost our Company to further strengthen our market share in the industrial switchgear business and reach into newer geographies and products thereby helping us to stay on our long term goal of creating sustainable & long term value for our shareholder.

### Looking Forward

The current global scenario is leading to large Companies looking for other options for their manufacturing activities and supply related goods. In this India is seen as the most favoured nation by most of the Companies for their requirements. The current government has taken major steps under its recently announced Atmanirbhar Bharat Mission aiming to make India a self-Reliant under five pillars focussing on Economy, Infrastructure, System, Vibrant Demography and Demand which will help boost domestic manufacturing as a Vocal for Local and thereby increase contribution of export from India.

We at Salzer are excited about these opportunities that the industry has to offer going forward. We have also received lot of enquires for our products and have supplied them for testing and are hopeful that these get converted into orders in the near future enabling us to increase our revenues and profitability and utilizing our capacities more efficiently.

I am proud to have a motivated team of people who are resolved to perform better and are looking to seize every business opportunity that will create sustainable & profitable growth. Together, we will continue to focus on growing our business, improving our working capital cycle & efficiencies leading to a higher return on capital employed. Our united aim is not just to drive sustainable growth, but also to create value through efficiency and innovation.

I would like to thank our employees for their untiring efforts, the Board for their guidance and all other stakeholders for their consistent support and encouragement in all our endeavours. We continue to look forward to your guidance and support, motivating us to reach newer heights and aim higher!

**R.DORAISWAMY**

Place: Coimbatore  
Date : June 18, 2020

MANAGING DIRECTOR  
DIN : 00003131

# Standalone broad financial highlights

(₹ in Crs)

Results from Operations	2020	2019	2018	2017	2016	2015	2014
Net revenue from Operations	566.94	559.76	442.78	384.06	361.13	283.30	244.53
Other Income	0.89	0.71	3.10	6.75	2.80	1.00	0.93
Total revenue	567.83	560.47	445.88	390.81	363.94	284.30	245.46
Operating Profit (EBITDA)	65.20	63.64	53.29	42.91	42.89	35.46	30.22
Depreciation and Amortization	14.44	12.16	10.53	9.81	8.32	7.14	7.52
Finance Cost	21.17	19.88	14.91	14.59	13.14	12.34	11.94
Profit before Tax	30.48	32.31	30.95	25.26	24.24	16.97	11.69
Profit After Tax	26.39	23.96	20.02	17.09	17.05	11.98	8.44
Dividend Payout incl Tax	-	03.08	3.07	2.76	2.65	2.44	1.80
<b>Balance Sheets</b>							
Share Capital	15.98	15.98	15.53	14.35	13.64	10.28	10.28
Reserves & Surplus	293.40	271.01	255.07	207.65	177.62	96.79	86.42
Net worth	309.38	286.99	270.60	222.00	191.26	107.07	96.70
Borrowings	173.68	139.81	135.43	105.55	94.38	96.60	74.33
Net fixed Assets	202.37	178.35	166.32	129.33	110.36	83.37	68.38
Investments (Current and Non Current)	19.72	3.67	3.08	4.47	17.52	5.66	6.10
Current Assets	352.42	349.69	327.59	282.56	239.39	185.98	156.60
Current Liabilities	260.52	253.99	236.56	195.44	157.61	144.34	124.66
Net working Capital	91.90	95.70	91.03	87.12	81.78	41.64	31.94
<b>Performance Indicators</b>							
Revenue growth	1.28%	26.42%	15.29%	6.35%	27.47%	15.86%	6.91%
Operating Profit Margin	11.50%	11.37%	12.04%	11.17%	11.88%	12.52%	12.36%
Operating Profit growth	2.46%	19.42%	24.19%	0.04%	20.97%	17.33%	6.16%
Net Profit Margin	4.65%	4.27%	4.49%	4.37%	4.68%	4.21%	3.44%
Net Profit Growth	10.14%	19.68%	17.14%	0.25%	42.29%	41.90%	19.54%
Revenue Contributions :-							
(a) Industrial Switch Gears	44.80%	41.40%	45.01%	45.80%	47.00%	52.00%	51.00%
(b) Wires and Cables	47.00%	48.50%	49.20%	45.60%	37.00%	41.00%	40.00%
(c) Building Products	6.20%	7.60%	4.71%	6.00%	4.00%	5.00%	4.50%
(d) Energy Management	2.00%	2.50%	1.08%	2.60%	12.00%	2.00%	4.50%
Return on Capital Employed *	10.96%	12.02%	10.97%	11.73%	12.67%	14.73%	13.54%
Return on Net-worth	8.53%	8.35%	7.40%	7.70%	8.91%	11.19%	8.73%
Debt Equity Ratio ** (x)	0.56	0.49	0.50	0.52	0.52	0.86	0.82
Earning per shares - Basic (in Rs.)	16.51	15.21	13.68	12.35	13.54	11.65	8.21
-Dilute (in Rs.)	16.51	15.10	13.31	11.89	12.87	10.79	8.21
Dividend Declared per cent	-	16%	16%	16%	16%	15%	15%
Dividend per share (in Rs.)	-	1.60	1.60	1.60	1.60	1.50	1.50
Dividend Pay-out Ratio	-	13%	15%	15%	16%	20%	21%
Book value per share (in Rs.)	199.60	185.15	174.58	154.72	140.19	104.12	94.04
Price Earnings Ratio (Times)	3.75	7.79	14.32	15.08	13.83	20.07	7.55
Price to Book Value Ratio	0.31	0.64	1.12	1.20	1.34	2.25	0.66
Market Cap (Rs. in Crs) as at March 31	97.41	189.27	293.79	271.00	287.59	240.43	63.71
No of Shareholders as at March 31	17,700	19,379	23,049	21,157	20,588	13,500	12,168

\* ROCE=EBIT/ (Net worth + LT Borrowing + ST Borrowing + Current Maturity of LT Debt - Non Current Investments)

\*\* Debt equity ratio = Total Debt / Shareholders Fund



## NOTICE TO THE MEMBERS

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the Members of Salzer Electronics Limited will be held on Saturday, the 12<sup>th</sup> September 2020 at 11.30 A.M., through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following businesses:

### Ordinary Business:

1. To consider and adopt the standalone and consolidated Audited Financial statements of the Company for the Financial year ended March 31, 2020, comprising of Balance Sheet as at March 31, 2020, Statement of Profit and Loss for the year ending on that date, Cash Flow Statement and Statement of Changes in Equity as on that date and the reports of the Board of Directors along with annexure and Auditors thereon;

**"RESOLVED THAT** the standalone and consolidated Audited Financial Statement comprising of Balance Sheet as at March 31, 2020, Statement of Profit and Loss for the year ending on that date, Cash Flow Statement and Statement of Changes in Equity as on that date and the Reports of the Board of Directors along with annexure and Auditors thereon, as circulated to the Shareholders, be and are hereby received, considered and adopted."

2. To re-appoint a Director in place of Dr.Mrs.Rajeshkumar Thilagam (DIN: 00006783), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment and in this regard to consider and if thought fit to pass the following resolutions with or without modification as an ordinary resolution.

**"RESOLVED THAT** in pursuance of Section 152 of the Companies Act 2013 read with Article 178 of the Articles of Association of the Company Dr.(Mrs) Rajeshkumar Thilagam (DIN: 00006783), a retiring Director at this Annual General Meeting be and is hereby re-appointed as a Director of the Company, subjected to determination of her office by means of retirement by rotation at the Annual General Meeting."

3. To re-appoint a Director in place of Mr.Sankaran Baskarasubramanian (DIN: 00003152), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment and in this regard to consider and if thought fit to pass the following resolutions with or without modification as an ordinary resolution.

**"RESOLVED THAT** in pursuance of Section 152 of the Companies Act 2013 read with Article 178 of the Articles of Association of the Company, Shri. Sankaran Baskarasubramanian (DIN: 00003152), a retiring Director at this Annual General Meeting be and is hereby re-appointed as a Director of the company, subjected to determination of his office by means of retirement by rotation at the Annual General Meeting."

### Special Business:

4. To consider and approve the appointment of Mr.Vishnu Rangaswamy (DIN: 00793090) as a Non-Executive and Non Independent Director and in this regard to consider and if thought fit to pass the following resolutions with or without modification as an ordinary resolution.

**"RESOLVED THAT** subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, upon such regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, in terms of Company's policy for Nomination and Remuneration Committee and based on the recommendation of Nomination and Remuneration Committee and Board of Directors of the company, the consent of the members be and is hereby accorded to ratify and approve the appointment of Mr.Vishnu Rangaswamy (DIN: 00793090), a Non-Executive and Non Independent Director with effect from September 12, 2020 subject to retirement by Rotation as required under Section 152 of the Companies Act 2013.

5. To ratify the remuneration payable to CMA A.R. Ramasubramania Raja (M.No. 32458) appointed as Cost Auditors of the Company for FY 2020-21 and in this regard to consider and if thought it, to pass, with or without modification(s), 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 the Companies (Audit and Auditors) Rules, 2014, CMA.A.R.Ramasubramania Raja (M.No.32458), appointed as Cost Auditor by the Board of Directors to audit the cost records of the Company for the FY 2020-21, be paid a remuneration of Rs.1,00,000/- (Rupees One lakh Only) per annum plus applicable GST and out-of-pocket expenses on actual basis."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board  
For Salzer Electronics Limited

**S. BASKARA SUBRAMANIAN**  
Director (Corporate Affairs) &  
Company Secretary  
(DIN :00003152& FCS No.4605)

Date: June 18, 2020  
Place: Coimbatore

## NOTICE (Contd.)

### Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 Act setting out material facts concerning the business under Item Nos. 4 & 5 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/ re-appointment as Director under Item Nos. 3 & 4 of the Notice, are also annexed.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 35<sup>th</sup> AGM of the Company is being held through VC / OAVM.
3. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note No. 42 and available at the Company's website [www.salzergroup.com](http://www.salzergroup.com).
4. The 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 will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
5. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
6. Corporate Members 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 to the M/s. GNSA Infotech Pvt Ltd, the Registrar and Transfer Agents, by email through its registered email address to [sta@gnsaindia.com](mailto:sta@gnsaindia.com).
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated 12th May, 2020, the Notice of AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at [www.salzer@salzergroup.com](mailto:www.salzer@salzergroup.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. <https://eservices.nsdl.com>.
9. Members whose email address are not registered can register the same in the following manner:
  - a. Members holding share(s) in physical mode can register their e-mail ID on the Company's website at [https://www.salzer@salzergroup.com/investors/](https://www.salzer@salzergroup.com/investors/shareholder-registration) shareholder-registration by providing the requisite details of their holdings and documents for registering their e-mail address; and
  - b. Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants ("DPs") for receiving all communications from the Company electronically.
10. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. The Members can join the AGM through 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 1,000 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 Chairpersons 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.
12. The Register of Members and Share Transfer Books of the Company will be closed from Friday the 11<sup>th</sup> September, 2020 and Saturday the 12<sup>th</sup> September, 2020 (both days inclusive), in terms of



## NOTICE (Contd.)

the provisions of Section 91 of the Companies Act, 2013 and the applicable regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

13. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s. GNSA Infotech Private Limited (GNSA) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to GNSA / Company.
14. **As per SEBI regulations, except in case of transmission or transposition of securities, requests for effecting transfer of securities in physical mode will not be processed with effect from 1<sup>st</sup> April 2019.**
15. In view of the above, the members holding shares in physical form are requested to consider converting their holdings to dematerialized and to avail various benefits of dematerialisation and to eliminate all risks associated with physical shares and for ease of portfolio management.
16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA - GNSA, the details of such folios together with the share

certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

17. As per the provisions of Section 72 of the Act, 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. The said form can be downloaded from the Company's website [www.salzergroup.net](http://www.salzergroup.net) (under 'Investors' section). Members holding shares in physical form may submit the same to RTA / Company. Members holding shares in electronic form may submit the same to their respective depository participant (DP).
18. **Those Members who have so far not encashed their dividend warrants for the Financial year 2012-13,** may approach GNSA, for making their claim without any further delay as the said unpaid dividends will get transferred to the Investor Education and Protection Fund of the Central Government before August 2020 pursuant to the provisions of Companies Act 2013. Further Ministry of Corporate Affairs has notified on September 05, 2016 operation of Section 124(6) of the Companies Act 2013 and Related Rules "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective September 07, 2016 which, inter alia, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years in the name of IEPF Suspense Account.

19. Due dates for transfer of unclaimed / unpaid dividends from the financial year 2011-12 are as under and thereafter the unclaimed/unpaid dividend amount will be transferred to IEPF:

FY ended	Declaration Date	Last date for encashment	Due Date
2012-13 (31.03.2013)	10.08.2013	15.09.2020	14.10.2020
2013-14 (31.03.2014)	09.08.2014	14.09.2021	13.10.2021
2014-15 (31.03.2015)	08.08.2015	13.09.2022	12.10.2022
2015-16 (31.03.2016)	13.08.2016	19.09.2023	17.10.2023
2016-17 (31.03.2017)	09.09.2017	15.10.2024	14.11.2024
2017-18 (31.03.2018)	22.09.2018	28.10.2025	26.11.2025
2018-19 (31.03.2019)	10.08.2019	14.09.2026	13.10.2026

20. Shareholders are requested to note that no claim shall lie against the Company in respect of any amounts, which were unclaimed and unpaid for a period of 7 consecutive years and transferred to Investor Education and Protection Fund of the Central Government. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of Companies Act, 2013 and rules made thereunder.
21. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date and transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.salzergroup.net/investors.html>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

## NOTICE (Contd.)

22. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the webpage: <http://www.iepf.gov.in/IEPFA/refund.html> or contact our RTA for lodging claim for refund of shares and/or dividend from the IEPF Authority.
23. A sum of Rs.3,78,732/- has been transferred to the Investor Education and Protection Fund in the year 2019 towards unclaimed/unpaid dividend declared during August 2012 for the year 2011-12.
24. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market.
25. Members holding shares in physical mode:
  - a) are required to submit their Permanent Account Number (PAN) and Bank Account details to the Company/ RTA, if not registered with the Company as mandated by SEBI.
  - b) are requested to register / update their e-mail address with the company / RTA for receiving all communications from the company electronically.
26. Members holding shares in electronic mode:
  - a) are required to submit their Permanent Account Number (PAN) and Bank Account details to their DPs with whom they are maintaining their demat account.
  - b) are requested to register / update their e-mail address with their DPs for receiving all communications from the company electronically.
27. Non-Resident Indian members are requested to inform RTA / respective DPs, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
28. Vide circular dated May 5, 2020, MCA has also dispensed with the printing and despatch of annual reports to shareholders. The Notice of the AGM along with the Annual Report 2019-2020 is being sent by electronic mode only to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that this Notice and the Annual Report 2019-2020 will also be available on the Company's website viz. [www.salzergroup.net/investors.html](http://www.salzergroup.net/investors.html).
29. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs / GNSA.
30. 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 Listing 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. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
31. The Board of Directors has appointed G V and Associates, Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
32. The facility for voting, either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
33. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC / OAVM but shall not be entitled to cast their vote again. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.

## 34. PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:-

- (i) The remote e-voting period begins on **Monday, September 7, 2020 (9.00 a.m.) and ends on Friday, September 11, 2020 (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 Saturday September 4, 2020, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.