

# salzer

*SOARING TO THE NEXT ECHELON*



ANNUAL | 22  
REPORT | 23

Salzer Electronics Limited 2022-23

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

Date	: September 09,2023
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 04,2023, Monday (9.00 a.m)
E-Voting Period Ending on	: September 08,2023, Friday (5.00 p.m)
EVEN No.	: 125109

## 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.

## PLANT LOCATIONS

### Unit-I

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

### 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.

### Hosur Plant

SF.No. 722/1& 2, 725, Thorapalli Road, Hosur Taluk,  
Krishnagiri District - 635 109.Tamil Nadu.

# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

**Mr. Doraiswamy R.** Managing Director

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

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

**Mr. S. Baskarasubramanian** Director (Corporate Affairs)  
& Company Secretary (Upto August 07,2023)

### Independent Directors

**Mr. Rangachary N. - Chairman**

**Mr. Jayabal N.**

**Mr. Nirmal Kumar M. Chandria**

**Mr. Sankaran V.**

**Mr. Shah P.K.**

**Mrs. Priya Bhansali** (From August 07,2023) &

**Mr. Sharat Chandra Bhargava** (From August 07,2023)

### Non Executive and Non Independent Directors

**Dr. Thilagam Rajeshkumar &**

**Mr. Vishnu Rangaswamy**

## COMPANY SECRETARY

**Mr. K.M. Murugesan** (From August 08,2023)

## AUDIT COMMITTEE

**Mr. Sankaran V - Chairman of the Committee**

**Mr. Rangachary N**

**Mr. Jayabal N**

**Mr. Nirmal Kumar M. Chandria &**

**Mrs. Priya Bhansali**

## NOMINATION AND REMUNERATION COMMITTEE

**Mr. Sankaran V - Chairman of the Committee**

**Mr. Jayabal N &**

**Mr. Shah P.K.**

## STAKEHOLDERS RELATIONSHIP COMMITTEE

**Mr. Jayabal N – Chairman of the Committee**

**Mr. Rajeshkumar D &**

**Mr. Nirmal Kumar M.Chandria**

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Mr. Rangachary N. - Chairman of the Committee**

**Mr. Doraiswamy R**

**Mr. Rajeshkumar D &**

**Mr. Jayabal N**

## STATUTORY AUDITORS

**M/s. JDS Associates**

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

## INTERNAL AUDITORS

**M/s. Covai management Services**

N.S.R. Road, Saibaba Colony, Coimbatore - 11.

## SECRETARIAL AUDITOR

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

Company Secretary in Practice,  
G.V. Enclave' 18/30, Ramani Street,  
K.K. Pudur, Saibaba Colony,  
Coimbatore - 641038

## COST AUDITOR

**Mr. A.R. Ramasubramania Raja**

DTT, BCOM, BGL, MBA, FCS, ACMA.,  
19, third Street, Gokulam Colony, P.N.Pudur,  
Coimbatore - 641 041.

## 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

## 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

## OUR BANKERS

M/s. Canara Bank

M/s. HDFC Bank Limited

M/s. Union Bank Of India &

M/s. IDFC First Bank Limited

# Message from Managing Director's Desk

*"The year gone by is a testament to Salzer's commitment to innovation, growth and strategy execution that is enabling the Company to soar to new heights"*

**R. DORAISWAMY**, Managing Director



## Dear Valued Shareholders,

I'm writing to you this letter with a sense of great satisfaction as the performance of financial year 2022-23 was incredibly fulfilling for Salzer. We achieved a long desired milestone in our journey as the turnover crossed more than Rs. 1,000 Crores mark in FY23. This was achieved amidst difficult times characterised by rising input costs, margin pressures and headwinds from geopolitical unrest. In a way, FY23 is a benchmark year and we have set new standards for our strategies towards future growth.

### FY23 and its relevance

The Financial year 2022-23 unfolded various headwinds for the economy and overall industry in the form of the global turmoil like Russia-Ukraine war, strengthening of dollar, elevated inflation, and increased interest rates, which resulted in increased overall volatility, and the impact is being felt in the ongoing fiscal year as well. Though a lot of supply chain issues created due to COVID got stabilised, there were still a lot of constraints during the year due to the ongoing war. In spite of that, we crossed some key milestones in our journey. Our advanced engineering capabilities backed by in-house manufacturing and R&D, product innovation, strong technical collaboration and long-standing customer relationships have helped us to sustain and grow in the volatile market scenario.

In FY23, our standalone revenue grew by 29.28% year-on-year to Rs. 1,013.08 crores, while EBITDA and PAT stood at Rs. 91.14 cr and Rs. 36.36 cr, with respective growth of 43% and 62% over previous year. It is heartening to see the Company cross the Rs. 1,000 crore mark in terms of top line, which was an important target we had set for ourselves.

In terms of segmental performance, our Industrial Switchgears segment grew 40.0% and contributed 54.3% to revenue, while Wires and Cables accounted for

38.4%, with growth of 15.0% over previous year 2021-22. The building products division contributed 7.23% to revenue and grew by 44% in the year.

Our Exports business, during the year, grew by 42% and accounted for 25.57% of our top line. The growth came in mainly from Europe and North America markets. This is also an important milestone for us as we are seeing increasing contribution from exports. We are expanding well in overseas markets and looking to increase our exports.

### Development in EV space

As you might be aware, we have a Joint Venture with an Austrian Company Kostad Steuerungsbaue GmbH to develop and manufacture DC Fast charging stations for electrical vehicles in India. We completed the developmental activities for this product, and we are taking steps to roll out the product in the current fiscal after securing clearances from the regulatory bodies.

### Hosur Plant

Another key milestones was the setting up of our new manufacturing facility in Hosur, Tamil Nadu to manufacture high demand products like Wire Harnesses and Toroidal Transformers. This facility is aimed at servicing Auto Component Suppliers, Two Wheeler Manufacturing companies and other world leading manufacturers of electrical products in the region with quick delivery and improves focus on customer requirement and satisfaction. This plant has successfully commenced its operations and is steadily scaling up activities.

### Business growth ahead

Looking ahead, growth in Profit Margins remains one of our top priorities. Our past few price hikes coupled with declining input costs is likely to strengthen the profitability in the current fiscal.

We are seeing strong demand especially for our 3-phase dry type transformers, particularly from the sectors of renewables and machine tools, as this product is getting very well accepted in the market, and orders have been flowing in consistently from customers across geographies.

As mentioned earlier, we have enhanced our focus on the Export Markets where the growth potentials remain untapped in various geographies.

The North American market opportunity is growing quite well for us, and the recent imposition of anti-dumping duty on Chinese products by the US has opened up a lot of scope and opportunity for Indian players. We have been working vigorously to capture and capitalize on this demand.

To expand our geographical footprint, we are also working with electrical industrial giants across the globe for our various Industrial Switchgear products to secure business opportunities particularly in renewal energy ecosystem.

The Europe market is well serviced with lot of our products without any quality issue for decades, and business in this region has consistently been growing at 15-20% every year.

We identified Russia as a new export market and have already received approval for our products like Contactor, MPCB and Special Wires. We are committed to start servicing Russian market in the third quarter of current fiscal.

### **R&D initiatives**

In line with our philosophy of innovation, we received two patents for a duration of 20 years one for integrated cam operated rotary switches, which is a legacy product contributing substantially to our top line, and another for Motor Protection Circuit Breaker (MPCB). These patented products help to protect our intellectual property and boosts our efforts in R&D and product development.

We have recently developed lot of new products for a new segment HVAC (Heating, Ventilation, and Air Conditioning). This segment comprises products like Definite purpose contactor, AC disconnect Switches and Whips and disconnects. These products are being used in both domestic and Industrial AC systems.

Our R&D is constantly engaged to innovate and develop new products aligned with our strategic vision. This is helping us to adapt our product portfolios based on the changing market needs and contemporary thoughts of our customers.

### **Subsidiary Company Kaycee**

Our Subsidiary Company Kaycee Industries Limited, acquired in 2019, delivered an impressive growth in the last two years after Covid-19 effect. Now, Kaycee has broken out all growth related constraints and is poised to progress well in the coming years with consistent revenue and profit growth.

### **Commitment towards Vision**

Looking at the year gone by, we managed to scale new heights and achieve several milestones we had set for ourselves. Looking ahead, we strive to maintain this growth trajectory to set our eyes on new summits of achievement. At Salzer, innovation is in our manifesto, and our strong product offerings and brand position in the market has placed us in a position to achieve new benchmarks for the future. Based on the domestic and export outlook, we are optimistic on our overall business performance.

As always, our core culture and commitment remains dedicated towards growing the business and bringing value to all shareholders and society.

### **Conclusion**

On a concluding note, I would like to thank all our employees, Clients, Creditors, Banks, financial partners, suppliers and all other stakeholders for their trust in Salzer Electronics. I would also like to extend my gratitude to my fellow Directors for their guidance and support in the challenging environment that tested the organization's mettle during the year. On behalf of the Board and Management of Salzer, thank you all for being a part of our transformational and progressive journey.

We have a long way ahead as we set our eyes on the next echelon!

Place: Coimbatore  
Date : July 15, 2023

**R.DORAISWAMY**  
MANAGING DIRECTOR  
DIN : 00003131



# Standalone broad financial highlights

(₹ in Crs)

From Profit & Loss	2023	2022	2021	2020	2019	2018	2017
Net revenue from Operations	1013.17	783.63	605.62	566.94	559.76	442.78	384.06
Other Income	1.37	2.18	1.99	0.89	0.71	3.10	6.75
Total revenue	1014.54	785.81	607.61	567.83	560.47	445.88	390.81
Operating Profit (EBITDA)	91.14	63.77	61.78	65.20	63.64	53.29	42.91
Depreciation and Amortization	16.11	16.00	15.60	14.44	12.16	10.53	9.81
Finance Cost	26.05	19.80	21.27	21.17	19.88	14.91	14.59
Profit before Tax	50.34	30.15	26.90	30.48	32.31	30.95	25.26
Profit After Tax	36.36	22.48	20.67	26.39	23.96	20.02	17.09
Dividend Payout	3.60	2.88	2.56	-	03.08	3.07	2.76
From Balance Sheets							
Share Capital	16.18	15.98	15.98	15.98	15.98	15.53	14.35
Reserves & Surplus	385.23	333.84	313.92	293.40	271.01	255.07	207.65
Net worth	401.41	349.82	329.90	309.38	286.99	270.60	222.00
Borrowings	272.55	247.81	199.55	173.68	139.81	135.43	105.55
Net fixed Assets	226.93	210.57	206.66	202.37	178.35	166.32	129.33
Investments (Current and Non Current)	21.86	20.55	21.16	19.72	3.67	3.08	4.47
Current Assets	607.35	480.64	414.09	352.42	349.69	327.59	282.56
Current Liabilities	443.26	358.31	307.91	260.52	253.99	236.56	195.44
Net working Capital	164.09	122.33	106.18	91.90	95.70	91.03	87.12
Performance Indicators							
Revenue growth	29.28%	29.39%	6.82%	1.28%	26.42%	15.29%	6.35%
Operating Profit Margin	9.00%	8.14%	10.20%	11.50%	11.37%	12.04%	11.17%
Operating Profit growth	42.92%	3.22%	-5.25%	2.46%	19.42%	24.19%	0.04%
Net Profit Margin	3.58%	2.86%	3.40%	4.65%	4.27%	4.49%	4.37%
Net Profit Growth	61.74%	8.76%	-21.67%	10.14%	19.68%	17.14%	0.25%
Revenue Contributions :-							
(a) Industrial Switch Gears	54.33%	50.25%	41.32%	44.80%	41.40%	45.01%	45.80%
(b) Wires and Cables	38.44%	43.23%	52.83%	47.00%	48.50%	49.20%	45.60%
(c) Building Products	7.23%	6.52%	5.37%	6.20%	7.60%	4.71%	6.00%
(d) Energy Management	-	-	0.48%	2.00%	2.50%	1.08%	2.60%
Return on Capital Employed *	11.56%	8.54%	9.30%	10.96%	12.02%	10.97%	11.73%
Return on Net-worth	9.06%	6.43%	6.24%	8.53%	8.35%	7.40%	7.70%
Debt Equity Ratio ** (x)	0.68	0.71	0.60	0.56	0.49	0.50	0.52
Earning per shares - Basic (in ₹.)	22.74	14.07	12.93	16.51	15.21	13.68	12.35
- Dilute (in ₹.)	20.58	14.07	12.93	16.51	15.10	13.31	11.89
Dividend Declared per cent	22%	18%	1.6%	-	16%	16%	16%
Dividend per share (in ₹.)	2.20	1.80	1.60	-	1.60	1.60	1.60
Dividend Pay-out Ratio	10%	13%	12%	-	13%	15%	15%
Book value per share (in ₹.)	248.09	218.64	206.44	193.36	185.15	174.58	154.72
Price Earnings Ratio (Times)	11.14	12.51	9.64	3.75	7.79	14.32	15.08
Price to Book Value Ratio	1.02	0.80	0.60	0.32	0.64	1.12	1.20
Market Cap as at March 31	409.99	281.30	199.16	98.85	189.27	293.79	271.00
No of Shareholders as at March 31	24022	25,886	19532	17,700	19,379	23,049	21,157

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

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

## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the **38<sup>th</sup> Annual General Meeting** of the Members of **Salzer Electronics Limited** will be held on **Saturday, September 09, 2023 at 11.30 a.m.**, through **Video Conferencing (VC) / Other Audio Visual Means (OAVM)** with virtual presence of the Shareholders to transact the following businesses:

### Ordinary Business:

- 1. Consideration of Audited Standalone and Consolidated Financial statements of the Company for the Financial year ended March 31, 2023, and the reports of the Board of Directors along with annexures and Auditors thereon;**

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

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statement comprising of balance sheet as at March 31, 2023, 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 declare a dividend on Equity Shares for the financial year 2022-23.**

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

**"RESOLVED THAT** a dividend at the rate of Rs. 2.20 (22%) per equity share of Rs. 10/- each fully paid-up of the Company be and is hereby declared for the Financial year 2022-23 and the same be paid as recommended by the Board of Directors of the Company, out of the Profit of the Company for the financial year ended March 31, 2023."

- 3. 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.**

To consider and if thought fit, to pass the following resolution 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."

- 4. To re-appoint a Director in place of Mr.D.Vishnu Rangaswamy (DIN: 00793090), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.**

To consider and if thought fit, to pass the following resolution 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 **Mr.D.Vishnu Rangaswamy (DIN: 00793090)**, a retiring Director at this Annual General Meeting be and is hereby re-appointed as a Director of the company."

### Special Business:

- 5. To consider and approve the re-appointment of Mr.P.Ramachandran, (DIN: 01043572) as a Whole time Director.**

To consider and if thought fit to pass the following resolutions with or without modification as a special 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, based on the recommendation of the Nomination and Remuneration Committee and the Board, the consent of the Members be and is hereby accorded to the re-appointment of Mr. P Ramachandran (DIN: 01043572) , as Whole Time Director of the Company for an another term of five years effective September 26, 2023, as well as eventual payment of salary and perquisites (hereinafter referred to as "remuneration") as detailed below:

#### 1) Remuneration

Monthly Remuneration of Rs.175000-10000-215000

#### 2) Other emoluments

##### a. House Rent Allowance :

No accommodation is being provided by the Company. House Rent Allowance is 50% of the salary over and above 10% of the salary payable by the appointee, as rent.

##### b. Medical Allowance :

Expenses incurred by him and his family subject to a ceiling of one month salary in a year or five months' salary over a period of five years.

##### c. Leave Travel concession :

As per Company Rules from time to time.

##### d. Personal Accident Insurance :

Premium not to exceed Rs.5000.00 per annum

##### e. Club Fees :

Fees of clubs subject to maximum two clubs.This will not include admission and life membership.

Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

## NOTICE (Contd.)

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and Encashment of leave at the end of tenure."

**"RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay Mr.P.Ramachandran, the remuneration by way of salary, perquisites or any other allowances as specified above and in accordance with the limits specified under Schedule V Part II -Section II of the Companies Act, 2013 or such other relevant provisions and limits as may be prescribed by the Government from time to time in this regard."

**"RESOLVED FURTHER THAT** aforesaid term of office of Mr.P.Ramachandran hereby subjected to determination by retirement by rotation in terms of Section 152 of the Companies Act 2013."

**6. To consider and approve the appointment of Mrs. Priya Bhansali (DIN: 00195848) as a Non-Executive and Independent Director.**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the LODR Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mrs. Priya Bhansali (DIN: 00195848), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 7, 2023, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) years till August 06, 2026, and that she shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**7. To consider and approve the appointment of Mr. Sharat Chandra Bhargava (DIN: 00008146) as a Non-Executive and Independent Director.**

To consider and if thought fit, to pass the following resolution as a Special Resolution

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the LODR Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Sharat Chandra Bhargava (DIN: 00008146), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 7, 2023, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company period of 3 (three) years till August 06, 2026, and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**8. To ratify the remuneration payable to Mr. A.R. Ramasubramania Raja (M.No. 32458) appointed as Cost Auditors of the Company for FY 2023-24**

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

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Mr.A.R.Ramasubramania Raja (M.No.32458), appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the FY 2023-24, be paid a remuneration of Rs.1,45,000/- (Rupees One lakh Forty Five thousand Only) per annum plus applicable service tax 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 the order of the Board of Directors

**R. DORAISWAMY**

Managing Director  
(DIN :00003131)

Date: August 07, 2023  
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. 5, 6, 7 & 8 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 to 7 of the Notice, are also annexed.
2. The Ministry of Corporate Affairs ("MCA") vide its relevant Circulars issued during the years 2020, 2021, 2022 and 2023 permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The same has been acknowledged by the Securities and Exchange Board of India vide its relevant Circulars issued during the years 2020, 2021, 2022 and 2023. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") MCA Circulars and SEBI Circulars, the 38<sup>th</sup> AGM of the Company for the financial year 2022-23 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 provided in Page No. 10 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 Scrutinizer by email through its registered email address to [vasudevanacs@gmail.com](mailto:vasudevanacs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
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. Vide circular dated May 5, 2020, MCA has also dispensed with the printing and despatch of annual reports to shareholders. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated 12th May, 2020, dated January 05, 2023, the Notice of AGM along with Annual Report 2022-23 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 2022-23 has been uploaded on the website of the Company at [www.salzergroup.net/investors.html](http://www.salzergroup.net/investors.html). 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>. The Company will supply hard copy of full annual reports to those shareholders who request for the same.
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 and Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

## NOTICE (Contd.)

12. The Company has fixed Friday, August 25, 2023 as the record date for the purpose of determining eligible shareholders entitled for the Dividend, if approved at the meeting, for the financial year 2022-23.
13. The dividend, as recommended by the Board of Directors of the Company, if declared at the Annual General Meeting, will be paid within the stipulated time to those Members whose names stand registered on the Company's Register of Members:-
  - a) In respect of shares held in dematerialized form, the Beneficial Owners are as at the end of business hours on Friday the 25<sup>th</sup> August 2023, as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
  - b) In respect of shares held in physical form, the Beneficial Owners are the Members in the Register of Members of the Company after giving effect to valid share transmission / transposition lodged with the Company, on or before Thursday the 24<sup>th</sup> August, 2023 and whose names appearing in the Register of Members as at on Friday the 25<sup>th</sup> August 2023, in respect of Members holding shares in physical form.
14. 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 Limited (GNSA) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to GNSA/ Company.
15. 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.
16. 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.
17. 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.
18. Pursuant to the circular issued by SEBI, investors holding shares in physical mode are required to register / update their details regarding PAN, KYC, specimen signature, bank details and Nomination with the listed entity by 30<sup>th</sup> September 2023
19. It is mandatory to register / update details / information pertaining to PAN, KYC, signature and Nomination. You may note that the Company / RTA shall not process any service request, unless the KYC details are updated. Failure to update the PAN, KYC and Nomination details by 30<sup>th</sup> September 2023 shall result in freezing of such physical folios/holdings.
20. The Company / the RTA recommends the updation of above information / details for the following reasons:
  - Facilitating timely and secured receipt of dividends;
  - Ensuring regular and timely delivery of correspondences and facilitating e-communication to notify relevant information on immediate basis;
  - Ensuring that no documents are undelivered and returned back to the Company / the RTA;
  - Paving way for direct interaction with the investors in case of any clarifications and updates;
  - Ensuring secured access of information to shareholders by the way of signature verification / registration in the database and
  - Ease of transmitting the shares to legal heirs through nomination
21. To update the information / details, the Shareholders are required to download relevant Forms (ISR -1, ISR-2 and SH-13) from Company Website [www.salzergroup.net](http://www.salzergroup.net) > Investors > Forms, and duly completed Forms along with supporting documents are to be submitted to the Registrar and Share Transfer Agent of the company M/s. GNSA Infotech Private Limited, STA Department, Nelson Chambers, F-Block, 4th Floor, 115 Nelson Manickam Road, Aminthakarai, Chennai 600 029
22. 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.