



# 34 Annual Report 2018 - 19



<b>BOARD OF DIRECTORS</b>	SHRI KISHAN N PARIKH SMT SHARDA RELAN SHRI AJAY RELAN SHRI ROHIT RELAN SHRI R. P. CHOUDHARY PROF. ASHOK KUMAR BHATTACHARYA SHRI SATINDER KUMAR LAMBAH SHRI BIRESWAR MITRA SHRI UDAYAN BANERJEE	Chairperson Co-Chairperson Managing Director & CEO Director Director (ceased w.e.f 01.04.2019) Director Director Executive Director Additional Director (appointed w.e.f. 13.02.2019)
<b>CHIEF FINANCIAL OFFICER</b>	SHRI VIVEK BHATIA	
<b>COMPANY SECRETARY</b>	SHRI NITIN VISHNOI	
<b>AUDITORS</b>	<b>STATUTORY AUDITORS</b> M/s. GUPTA VIGG & CO. CHARTERED ACCOUNTANTS	
<b>SECRETARIAL AUDITORS</b>	M/s. VKC & ASSOCIATES COMPANY SECRETARIES	
<b>COST AUDITORS</b>	M/s. GURDEEP SINGH & ASSOCIATES COST ACCOUNTANTS	
<b>BANKERS</b>	YES BANK KOTAK MAHINDRA BANK HDFC BANK STATE BANK OF INDIA	
<b>REGISTERED OFFICE</b>	D-188, OKHLA INDUSTRIAL AREA, PHASE - I, NEW DELHI - 110 020, INDIA WEBSITE: <a href="http://WWW.SHARDAMOTOR.COM">WWW.SHARDAMOTOR.COM</a> E-MAIL: <a href="mailto:investorrelations@shardamotor.com">investorrelations@shardamotor.com</a> Tel.: +91 11 4733 4100 Fax: +91 11 2681 1676 CIN: L74899DL1986PLC023202	

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## CONTENTS

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Message of Managing Director. . . . .	02
Notice . . . . .	03
Directors' Report. . . . .	12
Report on Corporate Governance . . . . .	39
Management Discussion & Analysis Report. . . . .	53
Standalone Financial Statements . . . . .	55
Consolidated Financial Statements. . . . .	106

## Managing Director's Message

Dear Shareholders,

It is my privilege to present the Annual Report for 2018-19 as Managing Director of Sharda Motor Industries Limited. This year, we have marked 34 glorious years by creating the value for stakeholders.

India's automotive industry is the fourth-largest in the world (by production). The annual production of vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle has registered a growth of \*6.26 percent in FY 2018-19 compared to last year but for Q1 - FY 2019-20 it has registered a decline of \*10.53 percent over the same period of last year. Therefore the sector which was growing at a good pace is now facing the slowdown and we expect to see government policy supporting auto growth through reduction of GST rates and implementation of National Electric Mobility Mission Plan 2020. However, according to IHS Automotive, a global market information provider, by 2026 India is expected to be the third largest automotive market in the world. The Indian auto industry is facing challenges, including adapting to a structural shift towards electric vehicles (EVs), shared mobility options with ride-sharing permeating the urban landscape, a pan-India shift to Bharat Stage-VI emission by 2020 and enhanced safety norms. As such, we will have to be more agile than ever and work towards being future-ready.

Your Company always embarks towards the development of new products and technology with a foremost commitment for facing the aforesaid challenges and to delight the customer with advanced products by setting up of new industry benchmarks. We shall continue to develop new and cutting-edge products at a faster pace and aggressively expand our pan-India footprint, considering that it has always been the focus of the management of the Company to increase the stakeholder's wealth with every passing year while being a socially responsible citizen. In the coming fiscal year we look ahead to excel in the product quality area with increased focus on research & development.



**AJAY RELAN**

The support of our valued customers, suppliers, Government of India, the state governments, local communities and key contractors has been a key enabler. I personally thank, all the stakeholders for their help. On your behalf, I also take this opportunity to thank all employees of your Company for their continued hard work, solidarity, cooperation and support. On behalf of the Board, I would like to thank all valued Shareholders for your support and for your trust in SMIL family which aims to go a long way to enable us resolutely move in our journey and keep the faith bestowed upon us by delivering enduring value for our stakeholders.

Finally, I thank you for your continued trust, confidence and support.

**Best Regards,  
Ajay Relan  
Managing Director**

*\* The provided figures are based on the data shared by Society of Indian Automobile Manufacturer "SIAM".*

**NOTICE**

**NOTICE** is hereby given that the Thirty four (34) Annual General Meeting (AGM) of the members of Sharda Motor Industries Limited ("the Company") will be held at PHD Chamber of Commerce & Industry, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110016, India, on Friday, 27<sup>th</sup> September, 2019 at 12:00 Noon (IST), to transact the following business(es):

**ORDINARY BUSINESS:**

1. **To receive, consider and adopt: (a) the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:**

- a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
- b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. **To appoint Shri Rohit Relan (DIN: 00257572), who retires by rotation, being eligible and offers himself for re-appointment as Director of the Company and if thought fit, to pass (with or without modification) the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provision of Section 152 of the Companies Act, 2013, Shri Rohit Relan (DIN: 00257572), who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**SPECIAL BUSINESS:**

3. **TO APPOINT SHRI UDAYAN BANERJEE (DIN: 00339754) AS AN 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 Sections 149, 152 of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualifications of Directors) Rules, 2014, and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Udayan Banerjee (DIN: 00339754), who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company with effect from 13<sup>th</sup> February, 2019 and who holds office upto the date of this Annual General Meeting (AGM), in pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and in respect of whom the company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of a Director of the company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold the office of Independent Director for a term up to 31<sup>st</sup> December, 2021.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

4. **TO APPOINT SHRI NITIN VISHNOI (DIN: 08538925) AS A 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 152, 161 of the Companies Act, 2013 ("the Act"), read with Companies (Appointment and Qualifications of Directors) Rules, 2014, and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri. Nitin Vishnoi (DIN: 08538925), who was appointed as Additional Director of the Company, with effect from 3<sup>rd</sup> September, 2019 and who holds office up to date of this Annual General Meeting and in respect of whom the company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of a Director of the company, be and is hereby appointed as the Director of the Company, liable to retire by rotation.

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

**5. TO APPOINT SHRI NITIN VISHNOI AS A WHOLE TIME 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 Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (“Act”), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Article of Association of the company, subject to the such consent, approvals and permission as may be needed in this regards, consent of the members of the Company be and is hereby accorded for the appointment of Shri Nitin Vishnoi (DIN:08538925), as a Whole-Time Director (Designated as Executive Director) of the company for a period of 5 (Five) consecutive years with effect from 3<sup>rd</sup> September, 2019 on the terms and conditions including remuneration and other perquisites as set-out in Explanatory Statement annexed to this Notice.

**FURTHER RESOLVED THAT** where in any financial year during the current of tenure of the Appointee, the Company has no profits or its profits are inadequate, the company shall pay remuneration by way of salary and other entitlements as specified above, subject to limits laid down in the Companies Act, 2013 and Schedules/ Rules made there under.

**FURTHER RESOLVED THAT** in the event of any liberalization / revision in the ceiling on permissible managerial remuneration or otherwise, the Board of Directors be and is hereby authorized to alter, vary or increase the remuneration, notwithstanding the overall remuneration set out as above, as may be permissible / prescribed without requiring any further resolution or consent of / reference to the Members.

**FURTHER RESOLVED THAT** the appointment may be terminated by either party by giving, in writing, to other party, three calendar months' notice or such other period as may be agreed mutually.

**FURTHER RESOLVED THAT** Shri Ajay Relan, Managing Director of the Company be and is hereby authorized to file and submit necessary forms and returns with the Registrar of Companies and to do such other things, deeds and act as may be considered necessary for the purpose.”

**6. TO RATIFY THE REMUNERATION TO BE PAID TO M/S. GURDEEP SINGH & ASSOCIATES, COST AUDITORS 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 provision of Section 148 of the Companies Act, 2013, read with rules framed thereunder and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and such other permissions as may be necessary and on the recommendation of the Audit Committee of the Company, the members of the Company do hereby ratify the remuneration of Rs. 100,000 (Rupees One Lakh only) excluding applicable taxes and other out-of pocket expenses payable to M/s. Gurdeep Singh & Associates, Cost Auditors, appointed by the Board of Directors of the Company to conduct the audit of cost records of the specified products (Generator Parts, parts of house hold and others) for the financial year 2019-20.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein offered to any committee of Directors or Director(s) to give effect to the aforesaid resolution.”

**By Order of the Board  
For SHARDA MOTOR INDUSTRIES LTD.**

**Nitin Vishnoi  
Company Secretary  
M. No. F3632**

Date : 12<sup>th</sup> August, 2019  
Place : New Delhi

**NOTES:**

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the Special Business set out in the Notice, is annexed hereto. Additional information as required under Secretarial Standard-2 and Regulation 36(3) of SEBI Listing Regulations pertaining to the Directors proposed to be appointed/ re-appointed is also annexed.

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

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's registered office, duly completed and signed, not less than **FORTY-EIGHT HOURS** before the commencement of meeting. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a certified true copy of board resolution together with specimen signatures of the said authorised representative(s) to attend and vote on their behalf at the meeting.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other Member of the Company.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 21<sup>st</sup> September, 2019 to Friday, 27<sup>th</sup> September, 2019 (both days inclusive).
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, 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 reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, Alankit Assignments Limited, to provide efficient and better services. Whereas the Members holding shares in physical form are requested to intimate to our Registrar and Share Transfer Agent (RTA), Alankit Assignments Limited for carrying out the aforesaid changes.
5. Members holding shares in physical mode are requested to register their email IDs with the Registrar and Share Transfer Agent of the Company whereas the Members holding shares in demat mode are requested to register their email IDs with their respective DPs in case same is still not registered.
6. Members holding shares in physical form in identical order of names in more than one folio may send the details of such folios together with the share certificates for consolidating their holding in one folio to the Company or Alankit Assignments Limited (RTA) and the consolidated share certificate will be returned to such members after making requisite changes thereon.
7. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote.
8. Members having any question on financial statements or any agenda item proposed in the notice of AGM are requested to send their queries at an early date to enable the management to keep the relevant information ready at the meeting.
9. Members of the Company are informed that pursuant to the provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof, the amount of dividend which remains unclaimed/ unpaid for a period of 7 years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education & Protection Fund ("IEPF") constituted by the Central Government and thereafter, no claims shall lie against the Company. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and its applicable rules. therefore, it is advised to claim the same from the Company. The due dates of transfer of the following dividends to IEPF are as under:

FINANCIAL YEAR ENDED	DATE OF DECLARATION OF DIVIDEND	PROPOSED DUE DATE FOR TRANSFER TO IEPF
31.03.2012	12.09.2012	10.10.2019
31.03.2013	06.02.2013*	04.03.2020
31.03.2013	02.09.2013	30.09.2020
31.03.2014	29.01.2014*	27.02.2021
31.03.2014	03.09.2014	01.10.2021
31.03.2015	10.02.2015*	08.03.2022
31.03.2015	26.08.2015	24.09.2022
31.03.2016	05.02.2016*	03.03.2023
31.03.2016	07.09.2016	05.10.2023
31.03.2017	05.02.2017*	03.03.2024
31.03.2017	30.08.2017	28.09.2024
31.03.2018	12.02.2018*	10.03.2025
31.03.2018	27.09.2018	25.10.2025

\* Interim Dividend

The Company has transferred all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more along with the unpaid or unclaimed dividend for that period to the Investor Education & Protection Fund. Members who have so far not claimed their shares/dividends for the said period may claim their dividend and shares from the Investor Education & Protection Fund by submitting an application in the prescribed form.



10. The Notice of the AGM alongwith the Annual Report 2018-19 is being sent through electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Annual Report and Notice are also available on Company's website [www.shardamotor.com](http://www.shardamotor.com)
11. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Alankit Assignments Limited / Depositories.
12. Members can avail of the nomination facility by filing form SH-13, as prescribed under section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company/ RTA.
13. In compliance with the provisions of Section 108 of the Act and the rules framed thereunder, Secretarial Standard-2 and Listing Regulations, the Company is pleased to provide facility of remote e-voting to all its members to enable them to cast their votes on all resolutions set forth in this notice electronically. Remote e-voting is optional and not mandatory. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") for the purpose of providing remote e-voting facility to all its Members.

**The instructions for e-voting are as under:**

**(A) In case of members receiving e-mail:**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter our User ID (For CDSL:16 digits beneficiary ID, For NSDL :8 Character DPID followed by 8 Digits Client ID, Members holding shares in physical form should enter Folio Number registered with the Company)
- (iv) Enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Attendance Slip.</li> <li>In case the sequence number is less than 8 digits, enter the applicable number of zeros (0s) before the number after the first two characters of the name in CAPITAL letters. E.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

After entering these details appropriately, click on "SUBMIT" tab.

- (vi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xiv) If a demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xv) Shareholders can cast their vote using CDSL's mobile app m-voting available for android based mobiles. Them-voting app can be downloaded from Google play store. Apple and Windows phone users can download the app from the App

Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xvi) Note for Non-Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(B) In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to (xvi) above to cast vote.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

(D) The Remote e-voting period will commence on Tuesday, 24<sup>th</sup> September, 2019 (09:00 a.m. IST) and ends on Thursday, 26<sup>th</sup> September, 2019 (05:00 p.m. IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on Cut-Off date i.e. Friday, 20<sup>th</sup> September, 2019, (the "Cut-Off Date") may cast their vote electronically, and the e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the Member, he shall not be allowed to change it subsequently.

- A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Friday, 20<sup>th</sup> September, 2019 (the "Cut-Off Date") shall only be entitled to vote through remote e-voting and at the AGM. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off date. A person who is not a member as on the Cut-Off date should treat this notice for information purpose only.
- At the venue of the AGM, voting shall be done through ballot papers ("Polling Paper") and the members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.
- A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the venue of the AGM. If a member casts votes through remote e-voting and also at the AGM, then voting done through remote e-voting shall prevail and voting done at the AGM shall be treated as invalid.
- Shri Vineet K Chaudhary, Managing Partner (Membership No. FCS 5327) and failing of him Shri Mohit K Dixit, Partner, (Membership No. A49021), of M/s VKC Associates, Practicing Company Secretaries, having consented to act as a scrutinizer, has been appointed as the Scrutinizer ("Scrutinizer") to scrutinize the voting process (Ballot Paper as well as remote e-voting) in a fair and transparent manner.
- The results of the voting on resolutions shall be declared by the Chairman / Co-Chairperson or any other person authorised by him/her in writing after the AGM within the prescribed time limits. The results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. [www.shardamotor.com](http://www.shardamotor.com) and will also be available on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) and will be communicated to the stock exchanges, where the shares of the Company are listed.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- All the documents referred to in the notice and accompanying explanatory statement will be available for inspection at the Registered Office of the Company during 11:00 a.m. to 01:00 p.m. on all working days i.e. Monday to Friday up to the date of AGM and will also be available for inspection at the AGM.

**21. INFORMATION REQUIRED TO BE FURNISHED UNDER LISTING REGULATIONS AND SECRETARIAL STANDARD - 2 AND REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

As required under Listing Regulations and Secretarial Standard - 2, the particulars of Directors who are proposed to be appointed / re-appointed, during the year under review are furnished below:

Particulars	Shri Rohit Relan	Shri Udayan Banerjee	Shri Nitin Vishnoi
Date of Birth (as on date)	02 <sup>nd</sup> July, 1955 (64 years)	15 <sup>th</sup> January, 1947 (72 Years)	18 <sup>th</sup> January, 1970 (49 Years)
Nationality	Indian	Indian	Indian
DIN:	00257572	00339754	08538925
Date of First Appointment on the Board of the Company	25 <sup>th</sup> May, 1991	13 <sup>th</sup> February, 2019	03 <sup>rd</sup> September, 2019



Particulars	Shri Rohit Relan	Shri Udayan Banerjee	Shri Nitin Vishnoi
Qualification	FCA, OPM (USA)	MSc. in Applied Science (IIT Kharagpur)	B.Com Honors & Fellow Member of Institute of Company Secretaries of India
Experience, Expertise & other details	He has an over all experience of 33 years in the field of Account, Finance, Business Management & Capital Market and other details are mention in brief profile bellow.	He has an over all experience of 45 years in the field of Business Management, Operations and other details are provided in explanatory statement to Item No.3 of the Notice	He has an overall experience of more than 26 years in the field of Corporate Governance, Compliance Management & Corporate Restructuring and other details are provided in explanatory statement to Item Nos. 4 & 5 of the Notice
Brief profile	Rohit Relan is the Non Independent Non-Executive Director of our Company. He is a Fellow Member of the Institute of Chartered Accountants of India and he took three years training from Harvard Business School, U.S.A under Owner/President Management (O.P.M.) Programme and is Managing Director of Bharat Seats Ltd, a joint venture company of Maruti Udyog Limited and Suzuki Motor Limited, Japan. He has a vast experience in the line of Finance and Total Productivity Maintenance.	Mentioned in the Explanatory Statement to Item No. 3 of the Notice	Mentioned in the Explanatory Statement to Item Nos. 4 & 5 of the Notice
Shareholding in the Company	428,818 Equity shares	<b>NIL</b>	1,000 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	1. Ajay Relan(Brother) 2. Sharda Relan (Mother)	None	None
Remuneration received from the Company in the financial year 2018-19.	Sitting fees : Rs. 1.60 Lacs	Sitting fees : Rs. 1.00Lacs	Sitting fees : NIL Remuneration :Rs. 37.63 Lacs as Company Secretary
Number of meetings of the Board held and attended during the financial year 2018-19	Board Meeting held: 6 Board Meeting attended: 4	Board Meeting held: 2 Board Meeting attended: 2	Not Applicable (in the capacity of Director)
Directorships held in listed entities in India (including this listed entity)	Two 1. Sharda Motor Industries Limited 2. Bharat Seats Limited	One 1. Sharda Motor Industries Limited	None
Chairman/ Member of Committee of the Board of listed entities in which they are director	None	Sharda Motor Industries Limited a) Audit Committee(Member) b) Nomination and Remuneration Committee (Member) c) Stakeholders Relationship Committee(Member)	None

#### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 3**

The Board of Directors of the Company on the recommendation of Nomination & Remuneration Committee and in pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any, has appointed Shri Udayan Banerjee (DIN 00339754) as an Additional Director, designated as Independent Director on the Board of the Company w.e.f. 13<sup>th</sup> February, 2019 for a tenure of upto 31<sup>st</sup> December, 2021, subject to approval of the Members.

According to the provisions of Section 161(1) of the Act, Shri Udayan Banerjee to hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as Director.

The Company has received declarations from Shri Udayan Banerjee that he meets the criteria for independence as provided in Section 149 of the Act along with the rules framed thereunder and SEBI Listing Regulations and has submitted declaration to that effect that he is eligible for appointment as an Independent Director and is not disqualified / debarred from being appointed / re-appointed or continuing as Director of the Company by the virtue of any Order passed by the SEBI, Ministry of Corporate Affairs or any such Statutory Authority. He is independent of the management of the Company.

**Brief profile of Shri Udayan Banerjee as under:**

Sh. Udayan Banerjee holds Masters Degree in Earth Science from IIT Kharagpur in 1969 and also holds diploma in work study from Work Factor Co. of USA in 1978. Sh. Udayan Banerjee started his career in year 1970, as Management Trainee with 'Bata Shoes Limited', wherein he was nominated to attend course on work-study under Johan Hopkins University in United States of America in the Year 1978. In Year 1981, Sh. Udayan Banerjee joined Stepwel Industries Limited, as Production Manager. During his tenure with Stepwel Industries Limited, he contributed to the Development and Marketing of "Piere Cardin" brand in India, besides developing business in West Germany and United Kingdom. Sh. Udayan Banerjee served 'Stepwel Industries Limited' for five years. Subsequently, Sh. Udayan Banerjee worked as Technical and Marketing consultant with UNCTAD/ GATT (presently WTO) for two years and made significant contribution in setting up of three manufacturing units in Bangladesh and two in Indonesia. In year 1988, Sh. Udayan Banerjee started working as an Independent Consultant / agent for marketing of plant, machinery and material to various internationally reputed companies of Japan, France and Italy.

Sh. Udayan Banerjee was associated with Sharda Motor Industries Limited (SMIL) at various positions for approx. 17 years. During his association with SMIL, he led several teams for successful setting up of Manufacturing Units of Automobile Components. Sh. Udayan Banerjee initiatives enabled SMIL to enter into technical collaboration for manufacturing of mono block exhaust system. He also played a key role in setting up and commissioning of R&D facility of SMIL, located in Chennai. During his tenure with SMIL, Sh. Udayan Banerjee acquired vast experience in foreign collaboration (Technical) for Auto Components especially in emission controls and had the distinction of setting up various industrial units of SMIL. At present Sh. Udayan Banerjee is actively involved in child development, teaching poor children and helping them to develop their various inherent qualities and is also involved in rural development in the field of environment protection and child health care.

Except Shri Udayan Banerjee being the appointee is interested in the resolution set-out at item no. 3. Save and except the foregoing None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends this resolution as set forth in the Notice as Item No. 3 (being Special Business), be passed as an Ordinary Resolution for consideration and approval of the shareholders

**Item No. 4 & 5**

On the recommendation of Nomination & Remuneration Committee (considering his background ,experience and contribution made to the Company), the Board of Directors of the Company, at its meeting held on 12<sup>th</sup> August ,2019 has considered and approved the appointment of Shri Nitin Vishnoi as an Additional Director on the Board of the Company with effect from 3<sup>rd</sup> September, 2019 & and also as a Whole-Time Director (designated as Executive Director) for a period of 5 (Five) consecutive years with effect from 3<sup>rd</sup> September, 2019 , subject to the approval of Shareholders of the Company on such terms & conditions as mentioned in the proposed resolutions here in under item no.4 and 5 and remuneration and other perquisites as set-out hereunder.

Salary	:	Basic: Rs. 130,000 per month, in the range of Rs.1,00,000 to Rs. 3,00,000 per month
HRA	:	Rs. 52,000 per month, in the range of Rs. 50,000 to Rs.1,50,000 per month.

**Other Entitlements**

1	Special Allowance	:	Subject to a maximum of 50% of Basic Salary per month.
2	Reimbursement of Expenses	:	Reimbursement of Expenses including Books & Periodicals, Entertainment and Driver's Salary, subject to a maximum of Rs. 43,200 per month.
3	Personal Accidental & Medical Insurance	:	As per Company Rules and Policy
4	Leave Travel Concession	:	For self and family, as per Company Rules and Policy.
5	Earned / Privilege Leave	:	As per Company Rules. Leaves accumulated but not availed of during his tenure and cashable as per Company Rules.
6	Car	:	Provision of car and Reimbursement of actual expenses of vehicle, for official use only.