

# 32<sup>nd</sup>

## ANNUAL REPORT 2022 - 2023



**SMITHS & FOUNDERS (INDIA) LIMITED**

**CIN: L85110KA1990PLC011303**

**BOARD OF DIRECTORS**

Suresh Shastry	Chairman & Managing Director
V Parthasarathy	Independent Director
Sudhindra N Kalghatgi	Independent Director
Ramesh Rao	Independent Director
Shailaja Suresh	Non-Executive & Non-Independent Director

**CHIEF FINANCIAL OFFICER**

Sadananda S Zutti

**COMPANY SECRETARY  
& COMPLIANCE OFFICER**

Roopashree B Shettigar

**AUDITORS**

B.N.Subramanya & Co.  
Chartered Accountants  
# 101, R.V-15, 'E ' Block, 6<sup>th</sup> Main Road  
Malleswaram, Bangalore – 560003

**REGISTRAR &  
TRANSFER AGENTS**

Integrated Registry Management  
Services Private Limited  
30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road  
Malleswaram, Bangalore – 560003

**SMITHS & FOUNDERS (INDIA) LIMITED****REGISTERED OFFICE**

No.505, 5<sup>th</sup> Floor, Brigade Rubix,  
No.20, H M T Main Road, Bangalore – 560013

**WORKS**

Plot No N12 and N13, Industrial Estate,  
Sagar Road, Shimoga, Karnataka, 577204

**E-MAIL**[cosec@smithsandfoundersindia.com](mailto:cosec@smithsandfoundersindia.com)**WEBSITE**[www.smithsandfoundersindia.com](http://www.smithsandfoundersindia.com)

## **Notice**

Notice is hereby given that the Thirty Second Annual General Meeting of the Members of **Smiths & Founders (India) Limited** will be held on Wednesday, September, 27, 2023 at IST 11.00 a.m. through Video Conferencing / Other Audio Visual Means ("VC") to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Suresh Shastry (DIN: 01099554), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment therefore, for the time being in force), M/s. Rao & Emmar Chartered Accountants (Firm Registration No: 003084S) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Thirty Seventh Annual General Meeting of the Company on the remuneration of Rs.2,40,000/- (Rupees Two Lakhs Forty Thousand Only) plus taxes thereon and reimbursement of actual/out of pocket expenses that may be incurred by the auditors in the performance of their duty as auditors of the Company."

### **SPECIAL BUSINESS:**

4. To approve continuation of directorship of Mr. Sudhindra Narayan Kalghatgi (DIN: 06994850), as Independent Director in terms of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, consent of the Members be and is hereby accorded to continue and hold office of Independent Director of the Company by Sudhindra Narayan Kalghatgi (DIN: 06994850) (who will attain 75 years of age on November 11, 2023) till his current tenure of appointment upto February 13, 2024.

**RESOLVED FURTHER THAT** Mr. Suresh Shastry, Chairman & Managing Director be and is hereby authorized to do all such acts, deeds and things and to sign all such documents

and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.”

#### **5. Related Party Transaction/Arrangements**

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

“RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and any other applicable provisions including any amendment, modification or re-enactment thereof, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Audit Committee of Board) for entering into, carrying out and/or continuing with the transactions and arrangements (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), with the related party, whether by way of renewal(s) or extension(s) or modification(s) of earlier arrangements/ transactions or otherwise, with respect to the transactions entered into or to be entered into with them in terms of Section 188 of the Act, as fully set out in the explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, annexed to this Notice, notwithstanding that each of these related party transactions, may exceed the limits prescribed under Section 188 of the Companies Act, 2013 and/or any other statutes or regulations including the materiality threshold prescribed under Regulation 23 of the Listing Regulations, as may be applicable from time to time, without being required to seek any further consent or approval of the members.

RESOLVED FURTHER THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), and other applicable Regulations thereunder and the applicable provisions of the Companies Act, 2013 (‘Act’) read with related rules, if any, including any amendment, modification, variation or re-enactment thereof, the approval of the Members be and is hereby accorded to the Board to enter into, carrying out and/or continuing with the transactions, arrangements and contracts (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) Mr. Suresh Shastry, (Promoter), being a related party, from the conclusion of this Annual General Meeting until the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company or such other period as may be statutorily allowed/ permitted, whether by way of renewal(s) or extension(s) or modification(s) of earlier arrangements/ transactions or otherwise including the transactions of routine banking transactions and other transactions in the ordinary course of business more specifically set out in the explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, annexed to this Notice; notwithstanding that all the above transactions individually or in the aggregate, may exceed the limits prescribed under Regulation 23 of Listing Regulations or any other materiality threshold as may be applicable from time to time and all actions taken by the Board in connection with the transactions since April 1, 2023, within the limits and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments, writings, as may be required, take such steps as may be necessary for obtaining

approvals, statutory, contractual or otherwise in relation to the above, with power to settle all questions, difficulties and doubts that may arise in relation to the above as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any Committee of Directors and/or directors and/or officers of the Company, to give effect to these resolutions.”

**6. Appointment of Mr. Hemachandra as Independent Director.**

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

“RESOLVED THAT pursuant to provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as ‘the Act’), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments or statutory modifications or re-enactment thereof for the time being in force) read with the Schedule IV thereto and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of Nomination and Remuneration Committee, Mr. Hemachandra (DIN 10303392) who was appointed by the Board of Directors as an Additional Director under Section 161(1) of the Act with effect from 2<sup>nd</sup> September, 2023, and in respect of whom a notice in writing pursuant to Section 160 of the Act has been received in the prescribed manner, be and is hereby appointed as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 2<sup>nd</sup> September, 2023 to 1<sup>st</sup> September, 2028 and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Hemachandra be paid such fees and remuneration as the Board of Directors of the Company may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and caused to be done all such acts, deeds matters and things as it may, in its absolute discretion deem it necessary, proper or expedient and to take all such steps as may be necessary to give effect to this Resolution.”

7. To approve continuation of directorship of Mr. Hemachandra (DIN: 10303392), as Independent Director in terms of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, consent of the Members be and is hereby accorded to continue and hold office of Independent Director of the Company by Mr. Hemachandra (DIN: 10303392) (who will attain 75 years of age on August 15, 2024) till his current tenure of appointment upto 1<sup>st</sup> September 2028.

**RESOLVED FURTHER THAT** Mr. Suresh Shastry, Chairman & Managing Director be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

**By the Order of the Board**

**Sd/-**

**Roopashree B Shettigar  
Company Secretary &  
Compliance Officer**

**Registered Office:**

No.505, 5<sup>th</sup> Floor, Brigade Rubix,  
No.20, HMT Main Road, Bangalore 560 013  
CIN:L85110KA1990PLC11303  
E-mail Id: [cosec@smithsandfoundersindia.com](mailto:cosec@smithsandfoundersindia.com)  
Website: [www.smithsandfoundersindia.com](http://www.smithsandfoundersindia.com)

Place: Bangalore

Date: 02.09.2023

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") had vide its General Circular Nos. . 02/2022, 14/2020, 17/2020, 20/2020 and 02/2021 dated 5<sup>th</sup> May, 2022, April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021, Circular No. 19 dated December 08, 2021, Circular No. 21 dated December 14, 2021 and Circular No. 02 dated May 05, 2022 "MCA Circulars" and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI permitted companies to hold Annual General Meeting ('AGM') through respectively (collectively referred to as "MCA circulars") permitted the holding of the Annual General Meeting ("AGM") through VC, without the physical presence of the members at a common venue. Hence, in compliance with the MCA circulars and the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements), 2015 ("SEBI Listing Regulations") the 32<sup>nd</sup> AGM of the Company is being held through VC.

The Deemed Venue for the 32<sup>nd</sup> AGM shall be the Registered office of the Company.

2. The explanatory statement pursuant to section 102 of the Act, setting out the material facts concerning the Special Business in the Notice is annexed hereto and forms part of this Notice. The relevant details pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company

Secretaries of India ("ICSI") in respect of Directors seeking re-appointments at this meeting are also annexed.

3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), in respect of Director(s) seeking appointment/re-appointment at this AGM is annexed.
4. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Since the AGM is being held pursuant to the MCA Circulars through VC, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC and participate thereat and cast their votes through e-voting.**
5. The Members can join the AGM in the VC 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 will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the 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.
6. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members desirous of seeking information in respect of Accounts of the Company are requested to send their queries to [accounts@smithsandfoundersindia.com](mailto:accounts@smithsandfoundersindia.com) on or before September 21, 2023.
8. During the 32<sup>nd</sup> AGM, Members may access the scanned copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the register of contracts and arrangements in which the Directors are interested, maintained under section 109 of the Act, upon logging in to CDSL e-voting system.
9. In case of joint holders, 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 at the AGM through e-voting.
10. Register of Members and Share Transfer Books of the Company will remain closed from September 21, 2023, to September 27, 2023 (both days inclusive) for the purpose of 32<sup>nd</sup> AGM.

11. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
12. As per the provisions of Section 72 of the Companies Act, 2013 (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.smithsandfoundersindia.com](http://www.smithsandfoundersindia.com) (under ‘Investors’ section). Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Company’s Registrar and Transfer Agent – Integrated Registry Management Services Private Limited, in case the shares are held by them in physical form.
13. Members are requested to a) intimate to the Company’s Registrar and Transfer Agents, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form; b) intimate to the respective Depository Participant, changes, if any, in their registered address at an early date, in case of Shares held in dematerialised form; c) quote their folio number/Client ID/DP ID in all correspondence and d) consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company’s Registrar and Transfer Agent – Integrated Registry Management Services Private Limited for assistance in this regard.
15. 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 Participant (“DP”) with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent – Integrated Registry Management Services Private Limited.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company’s Registrars and Transfer Agents, Integrated Registry Management Services Private Limited for shares held in physical form, with relevant documents that may be required.



17. In Compliance with the SEBI circulars and MCA Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.smithsandfoundersindia.com](http://www.smithsandfoundersindia.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL [www.evoting.cdsi.com](http://www.evoting.cdsi.com). For any communication, the shareholders may also send requests to the Company's dedicated investor email-id: [cosec@smithsandfoundersindia.com](mailto:cosec@smithsandfoundersindia.com).

#### 18. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

**The instructions for shareholders voting electronically and joining virtual Meetings are as under:**

- i. The voting period begins on September 24, 2023 (9.00 a.m.) and ends on September 26, 2023 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated **09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/**

**websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>