



ANNUAL REPORT 2019-2020



Corporate Information

BOARD OF DIRECTORS

Mr. Alay J. Shah	Chairman & Managing Director
Mr. O. P. Khanna	Director
Mr. Mukesh D. Patel	Director
Ms. Reshma S. Patel	Director
Mr. Zarksis Parabia	Director
Mr. Rajesh Varma	Director
Mr. Prajesh K. Purohit	CFO
Ms. Niki Tiwari	Company Secretary

BANKERS

Bank of Baroda
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited
HDFC Bank Limited

AUDITORS

M/s. CNK & Associates LLP,
Chartered Accountants,
C - 201 - 202 Shree siddhi vinayak Complex
Opp. Alkapuri, Railway Station,
Faramji Road - Alkapuri,
Vadodara - 390 005

REGISTERED OFFICE

Bil Road, Bil - 391 410, Dist. Vadodara, India.
Phone : 0265-268 0466, 268 0566 Fax : 0265-268 0611
Email : info@shilchar.com
Website : www.shilchar.com
CIN : L29308GJ1986PLC008387

REGISTER & TRANSFER AGENT

MCS Share Transfer Agent Limited

1st Floor, Neelam Apartment,
88, Sampatrao Colony
Above Chappanbhog Sweet,
Alkapuri, Vadodara - 390 007
Ph. No. : 0265-231 4757 / 235 0490

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NOTICE

NOTICE is hereby given that the Thirty Fourth (34th) Annual General Meeting of Members of Shilchar Technologies Limited (the Company) will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility to transact the following business on Friday, 14th August, 2020 at 10:00 a.m. to transact the following business :

Ordinary Business:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2020 including the Balance Sheet as at March 31, 2020 and the Statement of Profit of Loss and Cash Flow for the year ended on that date together with and the reports of the Board of Directors and Auditors thereon.**

“RESOLVED THAT the Audited Financial Statement of the Company, the Boards Report and the Auditors’ Report thereon for the financial year ended on 31st March, 2020 be and are hereby received, approved and adopted.”

- 2. To declare a Dividend on equity shares of the Company for the financial year ended 31st March, 2020.**

“RESOLVED THAT the Dividend at the rate of Re. 1/- per Equity Share on 38, 13,400 Equity Shares of Rs.10/- each as recommended by the Board of Directors be and is hereby approved.”

- 3. To appoint a Director in place of Mr. Alay J. Shah (DIN 00263538), who retires by rotation and being eligible, offers himself for re-appointment.**

“RESOLVED THAT Mr. Alay J. Shah (DIN 00257348), a Director of the Company who retires by rotation at this Meeting being eligible for re-appointment, be and is hereby re-appointed as Director of the Company whose period of Office shall be liable to determination by retirement of Director by rotation.”

Special Business:

- 4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with schedule IV and any other applicable provisions of the Companies Act, 2013 and the companies (Appointment and Qualification of Directors) Rules, 2014 made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Zarkis Parabia (holding DIN 02667359), Independent Director of the Company be and is hereby reappointed as an Independent Director of the Company to hold office for further term of five consecutive years from March 14, 2021 up to March 23, 2026 whose period of office shall not be liable to determination by retirement by rotation.”

- 5. 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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. Rajesh Rama Varma (holding DIN: 01034325), who was appointed as Additional Director of the Company by the Board of Directors on 8th February, 2020 and who holds office upto the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 and upon recommendation of Nomination and Remuneration Committee and Board of Directors and in respect of whom a written Notice pursuant to Section 160 of the Companies Act, 2013, has been received from a member signifying his intention to propose Mr. Rajesh Rama Varma as a candidate for the office of Director of the Company, be and is hereby appointed as a Independent Director of the Company to hold office for five consecutive years from 8th February, 2020 to 7th February, 2025 whose period of office shall not be liable to determination by retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

- 6. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:**

RESOLVED THAT subject to the provisions of sections 2(54), 196, 197, 198, 201 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made there under



(including any statutory modification or re-enactment thereof) and on recommendation of Nomination and Remuneration Committee and as agreed by the Board of Directors, consent of the Company be and is hereby accorded for payment of remuneration upto Rs. Rs. 15 lacs per month to Shri Alay J. Shah, Managing Director (DIN 00263538) of the Company with effect from 1st October, 2020 for a period for 3 years, provided in Section 197 and Section II (A) of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase, alter and/or vary the remuneration and perquisites including the monetary value thereof as may be permitted or authorised in accordance with the provisions of the Companies Act, 2013, for the time being in force, provided, however, that the remuneration payable to Mr. Alay J. Shah, Managing Director (DIN: 00263538) shall be within the limits as prescribed in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provision of Section 148(3) of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014 and upon recommendation Audit committee and as proposed by the Board, consent of the Company be and is hereby accorded to pay remuneration of Rs.25,000/- excluding out of pocket expenses plus applicable GST to Cost Auditors of the Company M/s. K H Shah & Co, Cost Accountants, Vadodara for the F.Y. 2020-2021.

RESOLVED FURTHER that the Board of Directors and / or its delegated authority be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

By order of the Board of Directors
For Shilchar Technologies Limited

Place: Bil, District Vadodara
Date: 27.06.2020

Niki Tiwari
Company Secretary

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting
(PURSUANT TO REGULATION 36(3) of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Name of Director	Mr. Alay Shah	Mr. Zarksis Parabia	Mr. Rajesh Varma
Date of Birth	04.07.1966	08.09.1973	17.11.1964
Date of Appointment	30.07.2003	14.03.2016	08.02.2020
Expertise in Specific Functional Area	Production, Finance, Marketing & Administration	Transportation of Super Heavy Over Dimensioned equipments, material management and Erection of Power Transformers	Advisor and consultant, Internal Control, Risk assessment
Qualifications	BS (Electronics Engineering Technology)	BE Mechanical	Chartered Accountant
Directors in other public limited companies	Nil	Nil	Nil
Other positions	Nil	Nil	Nil
Membership of committees in other public limited companies	Nil	Nil	Nil
Inter relationship	Nil	Nil	Nil
Shares held in the company	1,045,516	Nil	Nil



NOTES:

1. The Register of members and Share Transfer Books of the Company will remain closed from 07/08/2020 to 14/08/2020 (both days inclusive) for annual closing and determining the entitlement of shareholders to the final dividend for 2019-20.
2. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to the special business at the meeting, is annexed hereto.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Annual General Meeting (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 venue voting system on the date of the AGM will be provided by CDSL.
4. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
5. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the 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.
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. Process for those shareholders whose email ids are not registered:**
 - a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - b) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.
9. With effect from April 01, 2014, *inter-alia*, provisions of section 149 of Companies Act, 2013, has been brought into force. In terms of the said section read with section 152(6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors. Accordingly, Mr. Alay J. Shah, Director will retire at the ensuing annual general meeting and being eligible offers himself for re-appointment.
10. In terms of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 details of director retiring by rotation at the ensuing annual general meeting is given in annexure to this notice.
11. Subject to the provisions of section 126 of the Companies Act, 2013, dividend as recommended by the Directors for the year ended 31st March, 2020, if declared, will be payable to those Members, whose names appear in the Register of Members as at the close of business on 14/08/2020 and in respect of shares held in dematerialized form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business on 14/08/2020. The dividend warrants will be posted on or about 04/09/2020.



- 11.1 *In respect of shares held in electronic/demat form, beneficial owners are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant.*
- 11.2 *Members holding shares in physical form are requested to notify any change in their address, bank account, etc. to the Company or to the Registrar and Transfer Agent.*
- 11.3 *With a view to prevent fraudulent encashment of dividend warrants, Members holding shares in physical form are advised to furnish particulars of their bank account together with their 9 digit MICR code number for recording the same.*
12. During the year under review, the Company has appointed M/s. MCS Share Transfer Agent Limited as its Registrar and Transfer Agent (RTA) having their administrative office situated at 1st Floor, Neelam Apartment, 88, Sampatrao Colony, Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007 in the State of Gujarat. The aforesaid RTA is handling registry work in respect of shares held both in physical form and in electronic/demats form. All requests for transfer of Equity Shares and allied matters along with the relevant transfer deeds and shares certificates should be sent either to the RTA or at the registered office of the Company.
13. Pursuant to the provisions of section 123 to 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 (the Rules), dividend for the financial year ended 31.03.2013 and thereafter, which remain unclaimed for a period of 7 years from the date of transfer of the same as referred to Section 124 of the Companies Act, 2013, will be transferred to the Investor Education and Protection Fund of the Central Government established under Section 125 of the Companies Act, 2013 in month of August, 2020. Members who have not yet encashed their warrant(s) are requested to make their claims to the Company without any delay. Pursuant to the Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.shilchar.com), as also on the website of the IEPF viz. (www.iepf.gov.in).
14. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
15. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of transferee(s), surviving holder(s), legal heirs(s) and joint holder(s) respectively, along with necessary document at the time of lodgment of request for transfer/ transmission / transposition, is mandatory.
16. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days except Sundays, upto and including the date of Annual General Meeting of the Company.

17. E –Voting:

The Company has provided remote e-voting (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited, as an alternate, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the Notice of the 34th General Meeting of the Company dated 14th August, 2020 (the AGM Notice).

The facility for voting either through electronic means system or through ballot/polling paper shall also be made available at the venue of the 34th AGM. The members attending the meeting, who have not already cast their votes through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed M/S. Kashyap Shah & Co., Practicing Company Secretaries, Vadodara, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E–Voting is optional. In terms of requirement of the Companies Act, 2013 and relevant Rules, the Company has fixed 07/08/2020 as the 'Cut-off Date'.

The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them on the Cut-off Date i.e. 07/08/2020 only.

The instructions for shareholders voting electronically are as under:



The voting period begins on Tuesday, 11/08/2020 at (IST 10.00 a.m.) and ends on Thursday, 13/08/2020 at (IST 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 i.e. 07/08/2020, (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on Shareholders.

Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to 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	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</p>
<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<p>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.</p> <p>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 (iv).</p>

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

- ❖ 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.
- ❖ For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ❖ Click on the EVSN for the relevant <SHILCHAR TECHNOLOGIES LIMITED> on which you choose to vote.
- ❖ 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.
- ❖ Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- ❖ 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.
- ❖ Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



- ❖ You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- ❖ If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- ❖ Shareholders can also use Mobile app - “m-Voting” for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).

Note for Non – Individual Shareholders and Custodians

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) After receiving the login details, User would be able to link the account (s) for which they wish to vote on.
- d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) 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.
- f) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

General:

- (a) If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
- (b) Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (c) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 07/08/2020.
- (d) Mr. Kashyap Shah, Practising Company Secretary, Vadodara, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (e) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer’s report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (f) The results shall be declared on or after the AGM of the Company. The e-voting results along with the scrutinizer’s report shall be placed in the Company’s website www.shilchargroup.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
- (g) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- (h) In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

18. THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON e-VOTING SYSTEM ARE AS UNDER: -

- 1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- 2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
- 3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- 4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.



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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id).
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

ANNEXURE TO THE NOTICE

Statement pursuant to section 102 of Companies Act, 2013, in respect of Item Nos. 4 to 7 of the Notice:

Item No.4

- ❖ The Board of Directors at their meeting held on 14.03.2016, appointed Mr. Zarksis Parabia as an Additional Director of the Company to take effect from 14.04.2016. His appointment was regularized at 30th Annual General Meeting held on 13th August, 2016, Mr. Zarksis Parabia holds office upto 13th March, 2021. Upon the recommendation of Nomination and Remuneration Committee and Board of Directors and Under Section 160 of the Companies Act, 2013, the Company has received requisite notice from a Member proposing the candidature of Mr. Zarksis Parabia for the office of Director.
- ❖ Mr. Zarksis Parabia, aged 47 years, holds a degree in Mechanical Engineering. He has also worked in the position Director of well-known specialized cargo handling transport Company. He is well averse of nitty-gritty of corporate matters.
- ❖ The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Zarksis Parabia as an Independent Director. Accordingly, the Board recommends this resolution.
- ❖ Except Mr. Zarksis Parabia, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 4 of the Notice.

Item No.5

- ❖ The Board of Directors at their meeting held on 08.02.2020, appointed Mr. Rajesh Rama Varma as an Additional Director of the Company to take effect from 08.02.2020. Mr. Rajesh Rama Varma holds office upto the date of the forthcoming Annual General Meeting. Nomination and Remuneration Committee and Board of Directors have recommended appointment of Mr. Rajesh Rama Varma for the office of Director.



- ❖ Rajesh Rama Varma, aged 56 years is a Chartered Accountant. He has versatile and rich experience in the field of Risk assessment, internal control, corporate governance since last many years.
- ❖ The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Rajesh Rama Varma as an Independent Director. Accordingly, the Board recommends this resolution.
- ❖ Except Mr. Rajesh Rama Varma no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No5 of the Notice.

Item No.6

- ❖ The members at Annual General Meeting held on 11th August 2017 made re-appointment of Shri Alay Shah as Managing Director of the Company from 01.10.2017 to 30.09.2022. The members of the Company had also approved the said reappointment and payment of terms of remuneration of Rs. 15 lacs per month to Shri Alay Shah in their Annual General Meeting held on 11th August 2017.
- ❖ Shri Alay Shah is son of Mr. Jitendra Shah, the Chairman and founder Director of the Company. He has been associated with the Company as one of the Promoter Directors since its incorporation. He is a bachelor of science with specialization in electronics and possesses more than 27 years of experience in the various areas of business including production, finance, marketing and administration. Shri Alay Shah has been shouldering the responsibility of Managing Director since 1991. During his tenure, the Company has, year after year, achieved sizeable turnover, profitability and also continuous dividend payout since 2005-06. In addition to looking after and monitor day to day affairs, he is instrumental and played a pivoted role in introducing “Green Transformers” for renewable energy sector. Although Indian Transformer Industry has been facing challenging time for quite some time, but with his untiring efforts and business acumen he has eventually put the Company on the path of growth and success and produced substantial improvement in the turnover and profitability. He currently oversees manufacturing activities, projects, international sales, materials management and corporate finance of the Company. The varied experience, leadership qualities and excellent managerial capability will continue to contribute to the growth of the Company. In view of his excellent leadership and contribution to the growth and performance of the Company, the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on 27th June, 2020 approved revision of remuneration payable upto Rs. 15 lacs per month to Shri Alay Shah, Managing Director subject to approval of the Central Government for tenure of 01.10.2020 to 30.09.2023. There is no change in other terms of remuneration/ terms of appointment of Shri Alay Shah.
- ❖ The terms of increase of remuneration of Shri Alay Shah, Managing Director are as under:
- ❖ In terms of provisions contained in section II of Part II (A) of Schedule V of the Companies Act, 2013, the relevant details regarding the performance of the Company and of the respective appointees is furnished hereunder:

General Information:

1)	Nature of Industry	Manufacturing of “Distribution and Power Transformers”as well as “Electronics and Telecommunication Transformers”.
2)	Date of Commencement of Commercial Production	1988 for E & T Transformers & 2005 for D & P Transformers.
3)	Financial Performance for the Financial Year ended 31.03.2016	Turnover: Rs.7,426.55 LacsNet Profit: Rs.149.77 lacsDebt Equity Ratio : 0.67Current Ratio: 2:01Net worth:Rs.6114.58 lacs
4)	Export Performance	Rs. 1,612.72 lacs
5)	Foreign Investment or Collaboration	Nil

Information about the Appointees:

Information about the Appointees:

Shri Alay Shah has been associated with the Company as one of the Promoter Directors since its incorporation. He is a bachelor of science with specialization in electronics and possesses more than 27 years of experience in the various areas of business including production, finance, marketing and administration.



Reorganization of Awards:

The Company has been authorized by the Bureau of Energy Efficiency (BEE) for using three (4) Star Rating labels on its Distribution Transformers with the capacity of 25KVA/63KVA/100KVA and 200KVA, respectively.

The Company is also holding ISO 9001:2000 Certificate since September, 2004 for quality systems in relation to its factory located at village Bil, District Vadodara in the State of Gujarat.

Job Profile and Suitability:

Shri Alay Shah, Managing Director is responsible for the day to day management of the Company. He is actively involved in various areas of business including production, finance, marketing and administration. He is working under the Superintendence and control of the Board of Directors.

Remuneration Proposed:

Shri Alay Shah, Managing Director, shall be paid consolidated remuneration by way of Salary, perquisites and Allowance upto Rs.15 lacs per month.

In addition to above mentioned remuneration, the above appointees shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit for the remuneration:

- Company's contribution to provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961.
- Gratuity payable as per the rules of the Company.
- Leave encashment at the end of the tenure.

Sitting Fees:

As long as Shri Alay Shah functions as Managing Director, he will not be paid any sitting fees for attending the meetings of the Board of Directors or any committee(s) thereof.

Re-imbursement of Expenses, Costs etc.:

Shri Alay Shah shall be entitled to be paid / reimbursed all costs, charges and expenses as may be incurred by him for the purpose of or on behalf of the Company.

Comparative Remuneration, Profile with respect of Industry:

The proposed remuneration to the above appointees is in commensurate to the size of units in the industry

Pecuniary Relationship:

Shri Alay Shah being a promoter director and holding 27.42% equity shares in the company is concerned or interested as managerial person.

The copy of the draft Agreement as referred to in the resolution will be available for inspection by the members at the Registered Office of the Company on all working days between 10.00 a.m. to 1.00 p.m. except Saturdays and holidays.

The Board of Directors feels that aforesaid revision of terms of remuneration of Mr. Alay J. Shah as Managing Director is in the interest of the Company and therefore, recommends the resolution set out at item No.6 of this notice.

Except Shri Alay Shah no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No.6 of the Notice.

Item No. 7

As per the Cost Audit Rule 3A (IV) which are notified by the Ministry of Corporate Affairs on 30th June, 2014, the same is applicable to the Company and accordingly the Company is required to keep the Cost Records on or after the 1st day of April, 2014, and shall in compliance with the same within one hundred and eighty days of the commencement of every financial year to appoint a cost auditor with the approval of the shareholders.



As per the provisions i.e. Section 148 of the Companies Act, 2013 and as per Companies (Audit & Auditors) Rules, 2014, the proposal of Appointment of Cost Auditors was placed before the Audit Committee and as recommended by Audit Committee along with the remuneration of Cost Auditors, the Board in its meeting held on 27th June, 2020 considered and approval the said proposal to appoint M/s. K H Shah & Co., as Cost Auditors of the Company for the F.Y. 2020-21 at the remuneration of Rs.25,000 /- excluding out of pocket expenses plus applicable service tax, Now, the resolution is being placed before the Members of the Company for the approval and ratification of the remuneration to the Cost Auditors.

None of the Directors, relative of Directors or Key Managerial Personnel of the Company are in any way concerned or interested in the resolution proposed under this Item No.7

The resolutions at Item No.7 of the notice are recommended for approval.

Place: Bil, District Vadodara
Date: 27.06.2020

By order of the Board of Directors
For Shilchar Technologies Limited

Niki Tiwari
Company Secretary