

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 34th Annual General meeting of the members of Salzer Electronics Limited will be held at "SAGARI HALL" the Grand Regent, 708, Avinashi Road, Opp. Hotel The Residency, Coimbatore 641018 on Saturday, the 10th August 2019 at 11.30 am to transact the following businesses:

Ordinary Business:

- To consider and adopt the audited Financial statements of the Company for the Financial year ended March 31, 2019, comprising of balance sheet as at March 31, 2019, statement of profit and loss for the year ending on that date, Cash Flow statement and Statement of Changes in Equity as on that date and the reports of the Board of Directors along with annexure and Auditors thereon;**

"RESOLVED THAT the Audited Financial Statement comprising of balance sheet as at March 31, 2019, statement of profit and loss for the year ending on that date, Cash Flow statement and Statement of Changes in Equity as on that date and the reports of the Board of Directors along with annexure and Auditors thereon, as circulated to the Shareholders, be and are hereby received, considered and adopted."

- To declare a dividend on Equity Shares for the financial year 2018-19.**

"RESOLVED THAT a dividend at the rate of 16% (₹ 1.60 one Rupee and Sixty Paise Only) per equity share of ₹ 10/- each (Rupees Ten Only) fully paid-up of the Company be and is hereby declared for the Financial year 2018-19 and the same be paid as recommended by the Board of Directors of the Company, out of the Profit of the Company for the financial year ended March 31, 2019."

- To appoint a Director in place of Mr.Rajeshkumar (DIN: 00003126), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.**

"RESOLVED THAT in pursuance of Section 152 of the Companies Act 2013 read with Article 178 of the Articles of Association of the Company Mr.Rajeshkumar (DIN: 00003126), a retiring Director at this Annual General Meeting be and is hereby re-appointed as a Director of the Company, subjected to determination of his office by means of retirement by rotation at the Annual General Meeting."

- To appoint a Director in place of Mr.P.Ramachandran (DIN: 01043572), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.**

"RESOLVED THAT in pursuance of Section 152 of the Companies Act 2013 read with Article 178 of the Articles of Association of the Company Mr.P.Ramachandran (DIN: 01043572), a retiring Director at this Annual General Meeting be and is hereby re-appointed as a Director of the company, subjected to determination of his office by means of retirement by rotation at the Annual General Meeting."

- To consider and appoint a Statutory Auditor and authorise the Board to consider to fix their remuneration.**

To consider and if thought it fit, to pass the following resolutions with or without modifications as may be deemed fit.

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s.JDS Associates, Chartered Accountants (FRN:004317S) be and is hereby appointed as Statutory Auditors of the Company to hold office for a term of five years from 2019-20 i.e. from the conclusion of 34th AGM scheduled to be called and convened during the year 2019 till the conclusion of the 39th Annual General Meeting for the year 2023-24, during the year 2024, the Company do hereby approve the appointment of M/s.JDS Associates, Chartered Accountants, as Statutory Auditors of the Company for a term of 5 years from the financial year 2019-20 at such remuneration plus service tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this behalf."

Special Business:

- To consider and approve the appointment of Mr.S.Baskarasubramanian, (DIN: 00003152) as a Director (Corporate Affairs) & Company Secretary.**

To consider and if thought fit to pass the following resolutions with or without modification as a special resolution.

"RESOLVED THAT subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, upon such regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, in terms of Company's policy for Nomination and Remuneration Committee and based on the recommendation of Nomination and Remuneration Committee, the consent of the members be and is hereby accorded to ratify and approve the appointment of Mr.S.Baskarasubramanian (DIN: 00003152), as a Director (Corporate Affairs) and Company Secretary for a term of five years with effect from September 01, 2019 on an remuneration and perquisite upon the terms and conditions as detailed below:

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1) Remuneration

Monthly Remuneration of ₹ 1,20,000/-per month with annual increase of ₹ 10,000/-

2) Other emoluments

a. House Rent Allowance :

House Rent Allowance will be considered to be paid, subject to the ceiling stipulated under sec 198, schedule V of the Companies Act, 2013 and other applicable provisions, if any, in future.

b. Medical Allowance :

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

c. Leave Travel concession :

As per Company Rules from time to time.

d. Personal Accident Insurance :

Premium not to exceed ₹ 1000.00 per annum

e. Club Fees :

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

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

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

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

7. To consider and ratify the remuneration payable to CMA. A.R.Ramasubramania Raja (M.No. 32458) appointed as Cost Auditors of the Company for FY 2019-20.

To consider and if thought it, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies

(Audit and Auditors) Rules, 2014, CMA.A.R.Ramasubramania Raja (M.No. 32458), appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the FY 2019-20, be paid a remuneration of ₹ 95,000/- (Rupees Ninety Five Thousand Only) per annum plus applicable service tax and out-of-pocket expenses on actual basis."

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

By Order of the Board
For Salzer Electronics Limited

Date: May 24, 2019
Place: Coimbatore

R. DORAISWAMY
Managing Director
DIN: 00003131

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 Act setting out material facts concerning the business under Item Nos. 6 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/ re-appointment as Director under Item Nos. 3 & 4 of the Notice, are also annexed.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a 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 the AGM.
3. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total paid-up 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 paid-up share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

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4. The Register of Members and Share Transfer Books of the Company will be closed on **Friday, August 9, 2019 to Saturday, August 10, 2019**, in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
5. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
6. The dividend, as recommended by the Board of Directors of the Company, if declared at the Annual General Meeting, will be paid within the stipulated time to those Members whose names appearing on the Company's Register of Members:-
 - a) As Beneficial Owners as at the end of business hours on **August 10, 2019** as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in dematerialized form.
 - b) As Members in the Register of Members of the Company after giving effect to valid share transmission / transposition lodged with the Company, on or before **August 2, 2019** and whose names appearing in the Register of Members as at **August 10, 2019** in respect of Members holding shares in physical form.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s. GNSA Infotech Pvt. Limited (GNSA) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to GNSA.
8. SEBI has notified that securities of listed companies can be transferred only in dematerialised form, after December 05, 2018, which has been further extended upto 31.03.2019. **As per SEBI regulations, except in case of transmission or transposition of securities, requests for effecting transfer of securities in physical mode will not be processed with effect from 1st April 2019.**
9. In view of the above, the members holding shares in physical form are requested to consider converting their holdings to dematerialize and to avail various benefits of dematerialization and to eliminate all risks associated with physical shares and for ease of portfolio management.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or GNSA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
12. Members seeking any information with regard to the Financial Statements are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.salzergroup.net (under 'Investors' section). Members holding shares in physical form may submit the same to RTA /Company. Members holding shares in electronic form may submit the same to their respective depository participant (DP).
14. **Those Members who have so far not encashed their dividend warrants for the Financial year 2011-12**, may approach GNSA, for making their claim without any further delay as the said unpaid dividends will get transferred to the Investor Education and Protection Fund of the Central Government **before August 2019** pursuant to the provisions of Companies Act 2013. Further Ministry of Corporate Affairs has notified on September 05, 2016 operation of Section 124(6) of the Companies Act 2013 and Related Rules "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective September 07, 2016 which, inter alia, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years in the name of IEPF Suspense Account.

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

FY ended	Declaration Date	Last date for encashment	Due Date
2011-12 (31.03.2012)	11.08.2012	15.09.2019	14.10.2019
2012-13 (31.03.2013)	10.08.2013	15.09.2020	14.10.2020
2013-14 (31.03.2014)	09.08.2014	14.09.2021	13.10.2021
2014-15 (31.03.2015)	08.08.2015	13.09.2022	12.10.2022
2015-16 (31.03.2016)	13.08.2016	19.09.2023	17.10.2023
2016-17 (31.03.2017)	09.09.2017	15.10.2024	14.11.2024
2017-18 (31.03.2018)	22.09.2018	28.10.2025	26.11.2025

16. Shareholders are requested to note that no claim shall lie against the Company in respect of any amounts, which were unclaimed and unpaid for a period of 7 consecutive years and transferred to Investor Education and Protection Fund of the Central Government. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of Companies Act, 2013 and rules made thereunder.
17. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company transferred the shares in respect of the dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date, to the IEPF Authority and the details are available on the website of the Company and the same can be accessed through the link: <http://www.salzergroup.net/investors.html>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
18. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the webpage: <http://www.iepf.gov.in/IEPFA/refund.html> or contact our RTA for lodging claim for refund of shares and/or dividend from the IEPF Authority.
19. A sum of Rs.5,71,174/- has been transferred to the Investor Education and Protection Fund in the year 2018 towards unclaimed/unpaid dividend declared during September 2011.
20. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market.
21. Members holding shares in physical mode:
- are required to submit their Permanent Account Number (PAN) and Bank Account details to the Company/ RTA, if not registered with the Company as mandated by SEBI.
 - are requested to register / update their e-mail address with the company / RTA for receiving all communications from the company electronically.
22. Members holding shares in electronic mode:
- are required to submit their Permanent Account Number (PAN) and Bank Account details to their DPs with whom they are maintaining their demat account.
 - are requested to register / update their e-mail address with their DPs for receiving all communications from the company electronically.
23. Non-Resident Indian members are requested to inform RTA / respective DPs, immediately of:
- Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
24. The Notice of the AGM along with the Annual Report 2018-19 is being sent by 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. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.salzergroup.net/investors.html
25. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs / GNSA.

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26. The route map showing directions to reach the venue of the thirty fourth AGM is annexed.
27. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
28. The Board of Directors has appointed G V and Associates, Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
29. The facility for voting, either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
30. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
31. The voting period begins on Monday, August 5, 2019 (9.00 a.m.) and ends on Friday, August 09, 2019 (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 of Monday August 2, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

32. THE INSTRUCTIONS FOR E-VOTING ARE AS UNDER:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next 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 and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) 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> <ul style="list-style-type: none"> • 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. • In case the sequence number is less than 8 digits enter the applicable number of 0's 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.
Dividend Bank Details OR Date of Birth (DOB)	<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> <ul style="list-style-type: none"> • 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).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.

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- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for SALZER ELECTRONICS LIMITED on which you choose to vote.
- (xi) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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 & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-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.**
- (xiii) **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 and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.
- (xix) 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.

33. For members who wish to vote using ballot form:

For the benefit of Members who do not have access to e-voting facility, a Ballot Form is being sent along with the Notice of the AGM. The members may submit the same in a sealed envelope **to the Scrutinizer, Mr.G.Vasudevan, Practicing Company Secretary, C/o. Salzer Electronics Limited, Samichettipalayam, Coimbatore 641 047**, so as to reach by 5.00 p.m., on August 9, 2019. Detailed instructions on voting through post are given on the reverse of the Ballot Form

The facility for voting, either through electronic voting system or ballot or pooling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

34. Other Instructions

- i. The e-voting period commences on Monday, August 5, 2019 (9.00 a.m.) and ends on Friday, August 9, 2019 (5.00 p.m.). During this period, Members holding shares either in physical form or in dematerialized form, as on August 3, 2019 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- ii. In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of www.evotingindia.com.

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- iii. Mr.G.Vasudevan, Practicing Company Secretary has been appointed as Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner for Annual General Meeting (AGM).
- iv. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and not later than three days of the conclusion of the meeting, and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company to countersign the same.
- v. The Results shall be declared on or after the AGM of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.salzergroup.com and on the website of NSDL within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
- vi. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- vii. A Member can opt for only one mode of voting, i.e. either by post or through e-voting. In case of Member(s) who cast their votes by both modes, then voting done through a valid e-voting shall prevail and Postal Ballot of that Member shall be treated as invalid.
- viii. If any member buys the shares of the company after **12th July 2019** they may either write to the company for call for notice or down load the notice from the website of the company to cast their vote as advised therein.
- ix. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

By Order of the Board
For Salzer Electronics Limited

R. DORAISWAMY
Managing Director
DIN: 00003131

Date : May 24, 2019
Place : Coimbatore

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5, 6 & 7 of the accompanying Notice:

Item No.5

Pursuant to the provisions of the Companies Act, 2013 and read with the Companies (Audit & Auditors) Rules 2014 which have come into effect from 01.04.2014, the present term of Statutory Auditors M/s.Swamy & Ravi expires at the conclusion of the 34th AGM of the company for the year 2018-19 scheduled to be held during the year 2019 and as they have already completed their two terms as Statutory Auditors of the company, the company has to appoint a Statutory Auditor in the place of present Statutory Auditors - M/s.Swamy & Ravi, Chartered Accountants. Accordingly, the Board of Directors at their meeting held on 24.05.2019 considered the proposal of appointment of Statutory Auditors for the term of five years commencing from the conclusion of 34th AGM of the Company for the year 2018-19 till the conclusion of 39th AGM of the company for the FY 2023-24 to conduct the audit of the financial statements of the company M/s.JDS Associates, Chartered Accountants having their office at Jewel complex, 642 Raja Street, Coimbatore 641 001 (FRN No.008735-S), with due recommendation of the Audit Committee.

M/s. JDS Associates, vide its letter dated May 08, 2019 (a Copy enclosed), has given their Consent to become the Statutory Auditor and confirmed to the effect that

- The Audit Firm eligible to be appointed as Statutory Auditor, and has not incurred any disqualifications under the Companies Act 2013;
- The Audit Firm is not disqualified for appointment under the provisions of Chartered Accountants Act, 1949 and rules and regulations made there under;
- The proposed appointment is as per the terms provided under the Companies Act 2013;

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- The proposed appointment is within the limits laid down by or under the authority of the Companies Act 2013;
- No orders have been issued and there are no proceedings pending against the firm with respect to professional matters of conduct before the Institute of Chartered Accountants of India, any competent authority, or any court and
- The Firm has been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.
- The Firm has four Partners with the wide scope of audit program covering major Listed and Unlisted Companies in Coimbatore, Bank Audit including Statutory Audit Branch Audit, Concurrent Audit, and Stock Audit etc., in the Major Banks across the state.
- Having wide exposures on the Income Tax Provisions, Accounting Standards and related Rules and Regulations and Hands on experience in appearance before the Income Tax Authorities at different levels on various matters.

Accordingly, your Board of Directors have placed necessary resolution for your consideration and approval on the appointment of M/s.JDS Associates, Chartered Accountant as Statutory Auditors of the company for a term of five years.

None of the Directors have any pecuniary interest in this proposal and recommended the proposal for your approval.

Item No.6

Mr. S Baskarasubramanian has been associated with the Company since 1993 in the capacity of the Company Secretary, looking after all the Corporate Compliance activities under the Companies Act as well as SEBI Regulations, and in the capacity of Director (Corporate Affairs) since 2000, taking care of various day today Corporate affairs of the Company, more particularly, functions relating to Human Resource Developments and co-ordination with the Banks for the credit arrangement. He has got more than 50 years of experience in both Government and Corporate Sectors in public limited companies as well as companies in private sectors.

He has successfully handled the Major Corporate Restructurings/Corporate Actions such as...

- In May 1995, Bonus issue of 7,20,000 equity shares;
- In November 1995, Right issue of 14,40,000 equity shares;
- In 2001, Merger of Salzer Controls with Salzer Electronics ;
- In 2006, Preferential issue of 17,21,667 specified securities comprising of 12,21,667 equity shares and 500000 Convertible Share warrants ;
- In 2007, preferential issue of 1165000 specified Securities Comprising of 915808 shares placed with L & T and 249192 convertible share warrants;
- In 2008, Merger of Salzer Cables with Salzer Electronics Limited;
- In 2015, Completion of Qualified Institutional Placement of 26,41,000 equity shares with Institutional Investors and Preferential issue of 10,00,000 Convertible share warrants;
- In 2018, Completion of entire business acquisition from Salzer Magnet Wires Limited on Slump basis and
- Successfully managed and completed the Employees Stock Options Scheme

Pursuant to the provisions of the section 196 & 197 of the Companies Act, 2013 wherein the persons who are occupying the position of Executive Director on the Board of Directors of the public limited company beyond the age of 70 years the appointment could be either continued or to be appointed / re-appointed only subject to the confirmation and approval of the shareholders by means of a special resolution. Mr. S.Baskarasubramanian, being occupied the position of directors and is above 70 years of age, this proposal is placed before the shareholders for their approval.

Considering the above and the requirement of his contribution the Board of Directors at their meeting held on May 24, 2019, based on the recommendation of Nomination and Remuneration Committee, approved the appointment of Mr.S.Baskarasubramanian for a term of Five years effective from 01.09.2019 with a monthly remuneration of ₹ 1,20,000/- with an annual increment of ₹ 10,000/- per month, during period of office and with such other emoluments as set out in the resolutions and subject to the confirmation and approval of the shareholders by means of special resolution and recommended the same for confirmation and approval of the shareholders.

NOTICE (Contd.)

Mr.S.Baskarasubramanian fulfills all the conditions as set out in Part I of Schedule V to the Companies Act 2013 and also conditions set out under Section 196(3) of aforesaid Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of above Act.

Details of Mr.S.Baskarasubramanian are provided in the "Annexure" to the Notice.

None of the Directors, Key Managerial Personnel and their relatives, except Mr.S.Baskarasubramanian and his relatives, are in any way, concerned or interested in the said resolution.

Item No.7

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records for the applicable products of the Company. On the recommendation of the Audit Committee at its meeting held on May 23, 2019, the Board considered and approved the appointment of CMA.A.R.Ramasubramania Raja (M.No. 32458) as the Cost Auditor for the FY 2019-20 at a remuneration of ₹ 95,000 plus applicable service tax and reimbursement of out-of-pocket expenses on actual basis. The Board of Directors recommends the Ordinary Resolution as set out in Item No. 7 of the Notice for the approval of the shareholders.

None of the Directors, Key Managerial Personnel, or their relatives is in any way, concerned or interested, financially or otherwise, in the said resolution.

ANNEXURE TO NOTICE DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS 2015)

Name of the Director	Mr. D. Rajeshkumar	Mr. P. Ramachandran	Mr. S. Baskarasubramanian
DIN	00003126	01043572	00003152
Category	Executive Director	Whole Time Director	Executive Director
Date of Birth	25/09/1971	01/09/1948	15/07/1943
Date of Appointment on the Board	22/12/2001	26/09/1998	01/10/1994
Qualification	BE., MBA.,	M.A.,	B.COM., F.C.S
Brief profile and nature of their expertise inspecific functional areas	He is a young and energetic entrepreneur and is managing the Salzer group of companies	He is a Graduate in Economics with wide experience in the field and good contacts both in domestic and international markets, have contributed to achieve the performance and corporate objectives of the company all these years	He is a qualified Company Secretary and Fellow member of Institute of Company Secretaries (FCS) of India, is having wide experience of more than 50 years in aggregate & of which post qualification experience for 30 years in the field of administration, Company Law matters / Corporate Affairs. He is at present employed in your Company as Director (Corporate Affairs) & Company Secretary.
Directorships held in other companies.	1. SRVE Industries Ltd, 2. Sri Ram Arts Centre Pvt Ltd 3. Salzer Magnet Wires Ltd 4. Salzer Exports Ltd 5. Salzer Securities Holdings Ltd 6. K R Health Care P ltd	1. Salzer Magnet Wines Ltd 2. Salzer Securities Holdings Ltd	NIL
Memberships / Chairmanships of committees across all companies	Committees of Salzer Electronics Ltd 1. Chairman Risk Management Committee 2. Member - CSR Committee, 3. Member - Employees Compensation Committee 4. Member - Stakeholders Relationship Committee	Committee of Salzer Electronics Ltd 1. Member - Risk Management Committee	Secretary to the following Committees 1. CSR Committee 2. Audit Committee 3. Risk Management Committee 4. Shareholders Grievances Committee 5. Employees Compensation Committee 6. Nomination & Remuneration Committee
Shareholding in the Company	241966 Equity Shares-2.86%	NIL	21445 shares 0.13%
Inter se relationship, if any	Husband of Dr. Mrs. Thilagam, Director and son of Shri. R. Doraiswamy, Managing Director	NIL	NIL