

## **SAMRAT FORGINGS LIMITED**

**Regd. Office:** #406, First Floor, Sector 15-A, Chandigarh- 160015  
**CIN:** U28910CH1981PLC004522, Phone: 0172-2774555  
**Email:** info@samratforgings.com, **Website:** www.samratforgings.com



### **NOTICE**

**Notice is hereby given that the 38<sup>th</sup> Annual General Meeting of the members of Samrat Forgings Limited will be held on Monday, the 30<sup>th</sup> September, 2019 at 11:00 A.M. at the Registered Office of the Company at # 406, First Floor, Sector 15-A, Chandigarh- 160 015 to transact the following business.**

#### **ORDINARY BUSINESS:**

1. Adoption of Financial Statements for the Financial Year ended March 31, 2019  
  
To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 including the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Ritu Joshi (DIN: 01598873), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

#### **SPECIAL BUSINESS:**

#### **3. Re- Appointment of Mr. Ajay Kumar Arora as an Independent Director of the Company**

To consider and if thought fit, to pass, the following as an **ordinary resolution**:-

**“RESOLVED THAT** pursuant to provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘Listing Regulations’) and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Ajay Kumar Arora (DIN: 00314161), who was appointed as an independent director of the Company for a term of five years up to 28<sup>th</sup> September, 2019 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of his performance evaluation for the year 2018-19, be and is hereby re-appointed as an independent director on the Board of the Company for a second term of five consecutive years, effective from 29<sup>th</sup> September, 2019 up to 28<sup>th</sup> September, 2024.

**FURTHER RESOLVED THAT** pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ajay Kumar Arora be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.”

#### **4. Re- Appointment of Mr. Ashok Lakhanpal as an Independent Director of the Company**

To consider and if thought fit, to pass, the following as an **ordinary resolution**:-

**“RESOLVED THAT** pursuant to provisions of section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘Listing Regulations’) and amendments thereto

(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Ashok Lakhanpal (DIN: 03617355), who was appointed as an independent director of the Company for a term of five years up to 28<sup>th</sup> September, 2019 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of his performance evaluation for the year 2018-19, be and is hereby re-appointed as an independent director on the Board of the Company for a second term of five consecutive years, effective from 29<sup>th</sup> September, 2019 up to 28<sup>th</sup> September, 2024.

**FURTHER RESOLVED THAT** pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ashok Lakhanpal be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.”

## 5. **Approval of increase in Remuneration of Managing 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 the provisions of Section 197 read with Schedule V and the applicable provisions of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, rules, if any of the Companies Act, 2013 and any other laws, regulations prevailing for the time being in force, the increase in remuneration of Mr. Rakesh M Kumar (DIN: 00066497), Managing Director of the Company, as recommended by the Nomination and Remuneration Committee and Board of Directors of the company be and is hereby approved w.e.f. 01.03.2019 for the remaining tenure of his appointment i.e. upto 30.11.2020 as under:

- A) Salary: Rs. 10,00,000/- per month
- B) Perquisites:
  - a. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these are either singly or put together are not taxable under the Income Tax Act, 1961.
  - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
  - c. Encashment of earned leave at the end of tenure subject to maximum of 10 months as per the rules of the Company.
  - d. Other perquisites subject to over all ceiling on remuneration mentioned here in above, the Managing Director may be given any other allowance, benefits and perquisites as the Board of Directors may from time to time decide.
- C) Amenities:
  - a. The Company shall provide Chauffeur driven car facility to the Managing Director for official use.
  - b. Phone and other communication facilities subject to the condition that personal long distance calls shall be recovered from the Managing Director.

**FURTHER RESOLVED THAT** in the event of loss and / or inadequacy of profits in any financial year during his tenure, the remuneration as proposed aforesaid shall be deemed to be the minimum remuneration.

**FURTHER RESOLVED THAT** the board of directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things to execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in this regard.”

**6. Alteration of object clause of the Memorandum of Association of the Company**

To consider and if thought fit, pass with or without modifications, the following as a **special resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 if any, and the rules framed thereunder, and any subsequent modifications and re-enactments thereof, for the time being in force and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include any Committee or one or more Directors), consent of the members of the Company be and is hereby accorded, to substitute the existing Clause III(B) (The objects incidental or ancillary to the attainment of the main objects) with a new clause III (B) (Matters which are necessary for furtherance of the objects specified in clause III(A)) and the existing Clause III(C) (Other objects for which the Company is established) shall stand deleted from the Memorandum of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to undertake all such acts, deeds, matters, and things and to execute all such deeds, documents, and writing as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty, or doubt that may arise in this regard.”

**7. Alteration of Articles of Association of the Company**

To consider and if thought fit, pass with or without modifications, the following as a **special resolution**:

**“RESOLVED THAT** pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and such other rules and regulations as may be applicable and subject to such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, consent of the members of the Company be and is hereby accorded to adopt a new set of Articles of Association in substitution of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

Regd. Office:  
# 406, First Floor,  
Sector 15-A,  
Chandigarh – 160 015  
Email: info@samratforgings.com  
CIN: U28910CH1981PLC004522  
Date: 25<sup>th</sup> July, 2019

By order of the Board of Directors  
**For Samrat Forgings Limited**

Sd/-  
**(Sandeep Kumar)**  
**Company Secretary**  
**FCS-9075**

## NOTES:

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.
2. **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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
**A PROXY CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.**
3. Proxies in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the commencement of the meeting and the proxies shall not have any voting rights except on poll.
4. 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.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 26.09.2019 to 30.09.2019 (both days inclusive) pursuant to the provisions of Section 91 of the Companies Act, 2013.
6. Members/Proxies are requested to bring their attendance slips and copy of Annual Report to the Meeting.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company at least 7 days before the date of the meeting so that information required may be made available at the meeting.
8. Members / proxy holders are requested to produce the attendance slip duly completed and signed, for admission to the meeting hall.
9. 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.
10. Members who hold shares in de-materialized form are requested to bring their client ID and DP-ID number for the purpose of identification and attendance at the meeting.
11. The Register of Directors & Key Managerial Personnel and Register of contracts or arrangements in which Directors are interested shall be available at the Annual General Meeting and accessible during the continuance of the Meeting to any person having the right to attend the meeting.
12. Members holding shares in electronic form are requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form should submit their PAN to the Company or Registrar & Share Transfer Agent of the Company.
13. Members are requested to:
  - i. Intimate their latest bank account details viz. name and address of the branch of the bank with 9 digit MICR code of the branch & 11 digit IFSC code, type of account and account number, to the respective depository participant in case shares are held in demat mode and to the Company's Registrar and Share Transfer Agent, M/s Mas Services Limited, in case shares are held in physical mode.
  - ii. Intimate changes, if any, pertaining to their registered addresses, email address, telephone/mobile numbers, specimen signatures (duly attested by the bank), nomination, etc. to their respective depository participants, where shares are held in

electronic mode and to the Company's Registrar and Share Transfer Agent, /s Mas Services Limited, in case shares are held in physical mode.

- iii. Quote their folio numbers/Client ID/DP ID in all correspondence.
  - iv. Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
14. For receiving all communication including Annual Report, Notices etc. from the Company electronically, members are requested to register/update their e-mail address with their respective Depository Participant, where shares are held in electronic mode. If, shares are held in physical form, members are advised to register their e-mail address with the Company's Registrar and Share Transfer Agent i.e. Mas Services Ltd.
  15. All documents referred in the notice are open for inspection at the Registered Office of the Company between 11:00 A.M. to 01:00 P.M. on any working day prior to the date of the Annual General Meeting.
  16. Notice of Annual General Meeting, Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019 together with Report of Directors and Auditors' Report are also available on the website of the Company [www.samratforgings.com](http://www.samratforgings.com).
  17. 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, who have not updated their PAN with the Company are therefore requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Share Transfer Agents of the Company or directly to the Company.

According to the SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment through Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, any request for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Members are requested to dematerialize the Equity Shares of the Company held by them, promptly.

18. Brief resume of Directors/persons proposed to be appointed/re-appointed, as stipulated is provided after the explanatory statement to this Notice.
19. At the ensuing Annual General Meeting Mrs. Ritu Joshi (DIN: 01598873), Director of the Company retires by rotation and being eligible, offers herself for re-appointment. The particulars of the said Director are given below:

Mrs. Ritu Joshi is non executive promoter director and associated with the Company since 2011. She is post graduate by qualification having rich experience of business management to her credit and her services have been very useful for the business affairs of the Company.

Mrs. Ritu Joshi is holding 20 Equity Shares as on 31<sup>st</sup> March, 2019

She is a member (chairperson) of Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Company.

**Other Directorship:**

Mrs. Ritu Joshi was director in following other Companies as on 31.03.2019:

1. Alacrity Holdings Pvt Ltd
2. Jay Dee Holdings Pvt Ltd
3. Gee Cee Investments & Finance Pvt Ltd
4. Natrajan Investments & Finance Pvt Ltd
5. Devi Computronics Pvt Ltd

20. Voting through Electronic means:

- I. In compliance/accordance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of the 38<sup>th</sup> Annual General Meeting of the Company.
- II. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
- III. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on 27<sup>th</sup> September, 2019 at 9.00 AM and ends on 29<sup>th</sup> September, 2019 at 5.00 PM. 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 23<sup>rd</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders who have already voted by e-voting prior to the meeting date would not be entitled to vote at the meeting venue.
- IV. Procedure to cast vote electronically is as under:
  - (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on Shareholders.
  - (iii) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digit 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](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is provided as serial number in the address label.</li><li>• 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. Eg. If your name is Rakesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>

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"> <li>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 above in procedure (III).</li> </ul>
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- (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.
- (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 Samrat Forgings Limited.
- (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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If 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.
- (xvii) 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 App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non - Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
  - (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23<sup>rd</sup> September, 2019 may follow the same instructions as mentioned above for e-Voting.
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23<sup>rd</sup> September, 2019.
- VI. Members may send e-mail at [sandeepsharma@samratforgings.com](mailto:sandeepsharma@samratforgings.com) for any grievances connected with electronic means.
- VII. A copy of this notice has been placed on the website of the Company and will also be available on website of CDSL during voting period.
- VIII. The Company has appointed Mr. Kanwaljit Singh, Practicing Company Secretary (Certificate of Practice Number 5870) as the Scrutinizer for e-voting process and scrutinizing the voting through poll at the meeting in a fair and transparent manner.
- IX. The scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in employment of the company. The Scrutinizer shall submit a consolidated Scrutinizer’s Report or the total votes cast in favor of or against, if any, not later than three days after the conclusion of the AGM to the Chairman or a person authorized by him in writing who shall countersign the same and declare the results of the voting forthwith.
- X. The Results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website [www.samratforgings.com](http://www.samratforgings.com) and on the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman.
21. The route map showing directions to reach the venue of the AGM is provided in the Annual Report.

Regd. Office:  
# 406, First Floor,  
Sector 15-A,  
Chandigarh – 160 015  
Email: [info@samratforgings.com](mailto:info@samratforgings.com)  
CIN: U28910CH1981PLC004522  
Date: 25<sup>th</sup> July, 2019

By order of the Board of Directors  
**For Samrat Forgings Limited**

Sd/-  
**(Sandeep Kumar)**  
**Company Secretary**  
**FCS-9075**



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statement sets out all the material facts relating to the Special business mentioned under Item No. 3 to 7 of the accompanying Notice dated July 25, 2019:

### **Item No. 3 & 4**

Mr. Ajay Kumar Arora and Mr. Ashok Lakhanpal were appointed as Independent Directors of the Company for a term of 5 (Five) years starting from the conclusion of the 33<sup>rd</sup> (thirty third) Annual General Meeting held on September 29, 2014 upto September 28, 2019. The Nomination and Remuneration Committee and the Board of Directors at their Meetings held on July 25, 2019, had recommended re-appointment of Mr. Ajay Kumar Arora as the Non- Executive Independent Director of the Company, subject to the approval of the Members, for a second term starting from September 29, 2019 upto September 28, 2024.

Further, the Nomination and Remuneration Committee and the Board of Directors at their Meetings held on July 25, 2019, had also recommended re-appointment of Mr. Ashok Lakhanpal as the Non-Executive Independent Director of the Company, subject to the approval of the Members, for a second term starting from September 29, 2019 upto September 28, 2024.

The Company has received the consents from aforementioned directors and also their declaration confirming that they are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board, based on their performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and expertise in their relevant fields and invaluable contribution made by the Directors during their tenure, continued association of Mr. Ajay Kumar Arora and Mr. Ashok Lakhanpal would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors.

Mr. Ajay Kumar Arora and Mr. Ashok Lakhanpal are independent of the management of the Company and in the opinion of the Board of Directors of the Company, they fulfil the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as the Independent Directors of the Company. A copy of the draft letter of appointment in respect of Independent Directors setting out the terms and conditions would be available for inspection without any fee to the Members upto the date of AGM at the Registered Office of the Company during all days between 10:00 am to 04:00 pm excluding Sundays and Public Holidays.

Brief profile of Mr. Ajay Kumar Arora is as under:

Mr. Ajay Kumar Arora is a Company Secretary in Practice having rich professional experience of approximately three decades to his credit. Also he is registered as Insolvency Professional with the Insolvency and Bankruptcy Board of India. He serves as a Director on the Board of various listed and unlisted companies. He had also served as Chairman of the Chandigarh Chapter of the Northern India Regional Council of the Institute of Company Secretaries of India and during his tenure as Chairman of the Chandigarh Chapter, he has contributed tremendously for the development of the Company Secretaries profession. He is practicing company secretary and advisor to various corporate houses on secretarial, listing, legal, financial, insolvency and bankruptcy matters.

Brief profile of Mr. Ashok Lakhanpal is as under:

Mr. Ashok Lakhanpal is B.Sc. Engg. Qualified from Punjab University and Life Fellow of Institution of Electronics & Telecommunication Engineers and Member of Engineering Council of India. He is having Technical and Administrative experience of more than four decades. He retired as Chief Engineer, A.I.R. & Doordarshan and thereafter functioned as Adviser (Vigilance & Technology) of NSIC (National Small Industries Corporation). He worked as Director and Commissioner for Departmental Inquiries in Central Vigilance Commission, Govt. of India from 1999 to 2005. He is not holding directorship in any other Company and his association with the Company as an independent director is very advantageous to gain the technical and advisory services from him in various aspects.

Detailed disclosure of the profile and other credentials of Mr. Ajay Kumar Arora and Mr. Ashok Lakhanpal is given elsewhere in this Notice. Other than Mr. Ajay Kumar Arora and Mr. Ashok Lakhanpal and their relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolutions as set out in Item Nos. 3 and 4 of this Notice. The Board recommends the Resolutions as set out at Item Nos. 3 and 4 of the Notice for approval by the Members.

## Item No. 5

Mr. Rakesh M Kumar (DIN: 00066497) is associated with the Company as a Whole Time Director for the last twenty five years. Presently he is designated as Managing Director of the Company and looking after all business affairs of the Company. Considering his role in the overall development of the Company, annual appraisal to the employees of the company, various other factors and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 9<sup>th</sup> March, 2019 has subject to the approval of the shareholders in the General Meeting, approved the payment of remuneration of Rs. 10,00,000/- per month and other perquisites & amenities as mentioned in item no. 3 of notice of AGM, to Mr. Rakesh M Kumar (DIN: 00066497), Managing Director, with effect from March 1, 2019, for the remaining tenure of his appointment i.e. upto 30.11.2020,

The Board of Directors recommends the relevant resolution as Item No. 5 of the notice for your consideration and approval as a Special Resolution.

Mr. Rakesh M Kumar (DIN: 00066497) being the beneficiary himself and Mrs. Ritu Joshi (01598873), Director of the Company, being his relative are concerned and interested in the resolution. No other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The additional information as per the requirement of Schedule V of the Companies Act, 2013 is given below:

### I. General information:

#### 1. Nature of Industry

The Company comes under Forgings Industry and is in the business of manufacturing of closed die steel forgings and machined components.

#### 2. Date or expected date of commencement of commercial production

The Commercial production started in the year 1985.

#### 3. In case new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not applicable

#### 4. Financial performance of the Company

The financial performance of the Company has improved during the last years. The Company has achieved highest ever net sales turnover of Rs. 9617.85 lakh during the year ended March 31, 2019 and earned net profit of Rs. 101.38 lakh for the year ended March 31, 2019.

#### 5. Foreign investments or collaborations, if any

The Company has not made any investment in foreign market.

### II. Information about the appointee

#### 1. Background detail

Mr. Rakesh M. Kumar is B.E., MBA by qualification having twenty six years of business experience in forging industry to his credit. He has joined Samrat Forgings Limited as a whole time director in the year 1994 and looking after all business operations of the Company for the last twenty five years.

2. Past remuneration

Mr. Rakesh M. Kumar was drawing Remuneration of Rs. 6,50,000/- p.m. with other benefits and perquisites as approved by the shareholders in the general meeting on 29<sup>th</sup> September, 2017 as per provisions of section 197 and Schedule V of the Companies Act, 2013. Considering his role in the overall development of the Company, the Board of Directors on the recommendation of Nomination & Remuneration Committee and subject to the approval of the members in the general meeting has increased the remuneration of Mr. Rakesh M Kumar as Rs. 10,00,000/- p.m. with other benefits and perquisites w.e.f. March 01, 2019 for the remaining term of appointment i.e. up to 30.11.2020.

3. Recognition or awards

Career profile already covered in the section Background detail.

4. Job profile and his suitability

Mr. Rakesh M. Kumar is managing the affairs of the Company for the last twenty five years and has given his strong dedication and devotion for the overall growth of the Company to a very sound state. He is very well suited to handle the responsibility of his designation/position and the responsibilities assigned to him by the Board of Directors of the Company.

5. Remuneration proposed

The Proposed Remuneration is: Rs. 10,00,000/- per month and other benefits and perquisites as mentioned in item no. 3 of the Notice of AGM w.e.f. March 01, 2019, for the remaining tenure of his appointment i.e. upto 30.11.2020.

6 Comparative remuneration profile with respect to industry, size of Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

In the present scenario the remuneration being paid to the managerial personnel by companies in forging industry is very high. Mr. Rakesh M. Kumar has business experience of approximately twenty eight years and taking into account the responsibilities assigned, the remuneration proposed to be paid to him is very reasonable in comparison of remuneration packages paid to similar senior level appointee(s) in other Companies in the industry.

7 Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Mr. Rakesh M. Kumar is Managing Director of the Company and except for drawing remuneration as approved by shareholders; has no other pecuniary relations with the Company. He is related to Mrs. Ritu Joshi, Director of the Company.

**III. Other information:**

1. Reasons of inadequate profits

In view of the highly competitive market scenario in forging industry and downtrend in the industry all across India from November, 2018 onwards, the Company has posted profits before tax of Rs. 118.65 lakh and net profit after tax of Rs. 101.38 lakh for the year ended 31<sup>st</sup> March, 2019.

2. Steps taken or proposed to be taken for improvement

A new 5 Ton Hammer and various CNC machines have been installed by the Company during the financial year 2018-19, to increase the production level. The company is constantly looking forward to improve its productivity, sales and consequently its profits and therefore steps have been taken for addition of new machinery equipped with latest technology, cost cutting, optimum utilization of resources to cater the needs of customers.

3. Expected increase in productivity and profits in measurable terms

Considering the slowdown in the Industry since November, 2018 which is still continue, it is very hard to predict the future market scenario and so as the productivity and profits of the Company. However, with the advent of new machinery installed during the previous financial year and development of new parts both for domestic as well as export markets by the Company, it is very confident of growth as & when the market conditions improve and as a result to the same the production, sales and profitability of the Company is expected to increase substantially. The Company posted net profit (after tax) of Rs. 101.38 lakh for the year ended 31<sup>st</sup> March, 2019 and is focusing on widening its product portfolio to improve the profits going forward.

**Item No. 6**

In order to align and update the provisions of the Memorandum of Association of the company with the recent developments in the Companies Act, 2013, it is considered appropriate to substitute the existing Clause III (B) (The objects incidental or ancillary to the attainment of the main objects) with a new clause III (B) (Matters which are necessary for furtherance of the objects specified in clause III (A)) and to delete the existing Clause III (C) i. e, the other Objects in the Memorandum of Association of the company. Pursuant to the provisions of Section 13 of the Companies Act, 2013, alteration in object clause of the Memorandum of Association of the company requires the approval of the members by special resolution. Therefore, the resolution is being placed before the members for approval for alteration in the Memorandum of Association by way of the Special Resolution as Item no. 6 of the notice.

None of the directors, Key Managerial Personnel or their relatives is interested or concerned in the aforesaid resolution.

**Item No. 7**

In order to align and update the provisions of the Articles of Associations of the company with the recent developments in the Companies Act, 2013, it is considered appropriate to adopt a new set of Articles of Association in substitution of the existing Articles of Association of the Company. Pursuant to the provisions of Section 14 of the Companies Act, 2013 the alteration in Articles of the company requires the approval of the members by special resolution. Therefore, the resolution is being placed before the members for approval.

The proposed draft of the altered Articles of Association of the Company will be available for physical inspection by the members at the registered office of the Company throughout the office hours on any working day. The Board, recommend the resolution proposed in Item no. 7 to be passed by the members as a Special Resolution.

None of the Directors, Key Managerial Personnel or any of their relatives are concerned or interested in the aforesaid resolution.

**Brief Resume of Directors/persons seeking appointment/ re-appointment at this Annual General Meeting (Details as on March 31, 2019):**

<b>Name of the Directors</b>	<b>Mrs. Ritu Joshi</b>	<b>Mr. Ajay Kumar Arora</b>	<b>Mr. Ashok Lakhnupal</b>
Age (in years)	55	59	69
Nationality	Indian	Indian	Indian
Date of appointment	25.05.2011	13.11.2010	13.08.2011
Qualification	M.A.	FCS, LLB	B.Sc. Engg.
Nature of expertise in specific functional area	Sales, Marketing, Management	Secretarial, Legal, Accounts & Finance, Management	Engineering and Management
Directorship held in other companies (excluding Foreign Companies and Section 8 Companies)	<b><u>Private Companies</u></b> - Natrajan Investments & Finance Pvt Ltd - Jay Dee Holdings Pvt Ltd - Gee Cee Investments and Finance Pvt Ltd - Alacrity Holdings Pvt Ltd - Devi Computronics Pvt Ltd	<b><u>Listed Companies</u></b> - Paul Merchants Ltd - Vishal Papertech (India) Ltd  <b><u>Private Companies</u></b> - Paul Merchants Finance Pvt Ltd	Nil. He is not holding directorship in any other company
Chairmanships/ Memberships of Committees held in Committees of other companies	Nil	<b><u>Paul Merchants Ltd</u></b> Member of Audit Committee  <b><u>Vishal Papertech (India) Ltd</u></b>	Nil. He is not a member/chairman of committee of any other company
Relationship with other Director, Manager and other Key Managerial Personnel of the Company <i>inter-se</i>	Sister of Mr. Rakesh M Kumar, Managing Director	None	None
No. of equity shares held by Director: By self: As beneficial owner:	20 Nil	Nil Nil	Nil Nil
Number of Board Meetings attended during FY 2018-19	6	6	3

# SAMRAT FORGINGS LIMITED

## REGD. OFFICE:

# 406, FIRST FLOOR, SECTOR 15-A, CHANDIGARH-160015  
CIN: U28910CH1981PLC004522, Phone: 0172-2774555  
Email: info@samratforgings.com, Website: www.samratforgings.com

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of Companies (Management and Administration) Rules, 2014]

Folio No(s) /DP ID\*/Client ID\* .....

No. of Shares held .....

I/We.....  
Of.....being  
a Member/Members of **SAMRAT FORGINGS LIMITED** hereby appoint .....  
of.....or failing him .....  
of.....as my/our Proxy to attend and vote for me/us on my/our behalf at  
the 38<sup>th</sup> ANNUAL GENERAL MEETING of the company to be held on Monday, the 30<sup>th</sup> day of September,  
2019 at 11:00 AM, at the Registered Office of the Company at # 406, First Floor, Sector 15-A, Chandigarh-  
160015 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolutions:

Ordinary Business		Vote For	Vote Against
1	Adoption of Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2019 along with Reports of the Directors and Auditors thereon		
2	Re-appointment of Mrs. Ritu Joshi, who retires by rotation		
Special Business			
3	Re-appointment of Mr. Ajay Kumar Arora as an Independent Director		
4	Re-appointment of Mr. Ashok Lakhanpal as an Independent Director		
5	Approval of increase in remuneration of Managing Director		
6	Alteration of object clause of the Memorandum of Association of the Company		
7	Alteration of Articles of Association of the Company		

Signed on .....day of....., 2019

Signature(s) of the Shareholder(s)

**Please  
affix  
Revenue  
Stamp**

\* To be used for shares held in electronic form

**NOTE: The Proxy Form duly completed must be returned so as to reach the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. A Proxy need not be a Member of Company**

### E-voting particulars

EVSN	User ID	Password
190824018	Please refer Note No. 20 of the Notice	

**SAMRAT FORGINGS LIMITED**

**REGD. OFFICE:**

# 406, FIRST FLOOR, SECTOR 15-A, CHANDIGARH-160015  
CIN: U28910CH1981PLC004522, Phone: 0172-2774555  
Email: info@samratforgings.com, Website: www.samratforgings.com

**ATTENDANCE SLIP**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL ATTENDANCE SLIPS ON REQUEST**

NAME OF THE SHAREHOLDER/PROXY:

Folio No. ....

ADDRESS:

DP ID\* .....

No. of Shares held:

Client ID\* .....

I hereby record my presence at the 38<sup>th</sup> Annual General Meeting of the Company at # 406, First Floor, Sector 15-A, Chandigarh – 160 015 on Monday, the 30<sup>th</sup> September, 2019 at 11:00 AM

SIGNATURE OF THE SHARE HOLDER / PROXY (To be signed at the time of handing over this slip)

**MEMBER/PROXY HOLDERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING**

\* To be used for shares held in electronic form

**Route Map of the Venue of the AGM**  
Venue :  
**# 406, First Floor, Sector 15-A, Chandigarh**

