

# Notice to Members

**NOTICE is hereby given that the 33rd Annual General Meeting of the Members of Akar Auto Industries Limited will be held on Friday, 30th day of September 2022 at 11.30 a.m. IST through video conferencing ('VC') / other audio visual means ('OAVM') to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company at 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai – 400009, Maharashtra, India.**

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet and the Statement of Profit and Loss along with Cash Flow Statement and Notes to Accounts for the year ended 31st March, 2022 together with Board's Report and Auditor's Report thereon.
2. To declare dividend for the Financial Year ended 31st March, 2022.
3. To appoint a Director in place of Mr. Narendrakumar Gupta (holding DIN 00062268), who retires by rotation and being eligible, offers himself for re-appointment.

**Explanation:** Based on the terms of appointment, Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Narendrakumar Gupta, Non-Executive Non-Independent Director, who has been on the Board of the Company since its inception and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

Therefore, the shareholders are requested to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Narendrakumar Gupta (DIN 00062268), who retires by rotation, be and is hereby re-appointed as a Director retiring by rotation."

4. To re-appoint Statutory Auditors and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable (including any amendment(s), modification(s), or variation(s) thereto) and pursuant to the recommendations of the Audit Committee and Board of Directors, the appointment of M/s M/s GSA & Associates LLP, Chartered Accountants, Delhi (Firm Registration No. 000257N/N500339), as Statutory Auditors of the Company, in place of M/s. Jaju and Kabra, Chartered Accountants, Aurangabad (Firm Registration No. 140398W) whose tenure expires at the 33rd Annual General Meeting of the Company, to hold office for a term of 1 (One) year commencing from the conclusion of this Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Company, on such remuneration plus reimbursement of out of pocket expenses as may be incurred by them in connection with the audit of accounts of the Company, as may be mutually agreed between the Board of Directors of the Company and the said Auditors, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take such actions and to do such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution."

## **SPECIAL BUSINESS:**

5. **Ratification of remuneration to Cost Auditor for the financial year 2022-23.**

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

**"RESOLVED THAT** pursuant to Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s B. R. Chandak & Company, Cost Accountants (Firm Registration No. 021959), who have been appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023 on a remuneration of

Rs. 55,000/- (Rupees Fifty Five Thousand only) plus taxes as applicable, be and is hereby ratified.

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

**6. Re-appointment of Mr. Pradeep Nijampurkar as Whole-time 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 Sections 196, 197 and 203 of the Companies Act, 2013 ("Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded for the re-appointment of Mr. Pradeep Nijampurkar (DIN: 01805132) as a Whole Time Director of the Company for a period of 3 years, with effect from 1st April 2022 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting and as recommended by Nomination and Remuneration Committee ("Committee") and approved by the Board, with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said re-appointment /remuneration in such manner as deemed fit necessary.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Pradeep Nijampurkar, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Pradeep Nijampurkar, Whole Time Director by way of salary / commission, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to

decide the breakup of the remuneration from time to time in consultation with the Whole Time Director.

**RESOLVED FURTHER THAT** Mr. Pradeep Nijampurkar, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution."

**7. Revision in Remuneration of Mr. Sunil Todi, Managing Director**

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to other requisite approvals, if any, consent of the Members be and is hereby accorded to pay remuneration to Mr. Sunil Todi, Managing Director (DIN: 00061952) for a period commencing from 1st October, 2022 upto the date of his appointment, that is, up to 15th September, 2025, on such terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as 'Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of remuneration as it may deem fit and as may be acceptable to Mr. Sunil Todi, subject to same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof."

**8. Approval for Material Related Party Transactions.**

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

"**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 ("the Act")

read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the Members of the Company do hereby accord approval to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall be deemed to include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions (whether individual transaction or transaction(s) taken together or series of transaction(s) or otherwise), with R. L. Steels & Energy Limited and Akar Industries Private Limited, being related parties of the Company, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise during the financial year 2023-2024, as per the details set out

in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), may exceed Rs. 1,000 Crores or 10% of the annual turnover as per the last audited financial statements of the Company, whichever is lower, or such other materiality threshold, as may be prescribed from time to time, provided however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit, file requisite forms with the regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorized person(s) to give effect to this resolution."

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**By order of the Board of Directors  
For Akar Auto Industries Limited**

Date: 11th August, 2022  
Place: Aurangabad

Sd/-  
MITESH GADHIYA  
(Company Secretary)  
Membership No. FCS10000

## NOTES FOR MEMBERS' ATTENTION

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the shareholders at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 21/2021 dated 14th December, 2021 and Circular No. 02/2022 dated 5th May, 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/DDHS/P/ CIR/2022/0063 dated 13th May, 2022 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said circulars, the 33rd AGM of the shareholders will be held through VC/OAVM. Hence, shareholders can attend and participate in the AGM through VC/OAVM only.
2. As per the provisions of clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at item nos. 5, 6, 7 and 8 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes 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 to at least 1,000 members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. In line with MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories, unless any member has requested for the physical copy of the same. The Company shall send the physical copy of the Annual Report 2021-22 to those members who request the same at [corporate@akartoolsLtd.com](mailto:corporate@akartoolsLtd.com) mentioning the Folio No. / DP ID and Client ID. The Notice of AGM and Annual Report 2021-22 are available on the Company's website viz. [www.akartoolsLtd.com](http://www.akartoolsLtd.com) and may also be accessed from the relevant section of the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Notice of AGM is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice can be inspected in electronic mode by sending a request on email to [corporate@akartoolsLtd.com](mailto:corporate@akartoolsLtd.com).
8. The Register of Members and Share Transfer Books of the Company will remain closed from 17th September, 2022 to 23rd September, 2022 (both days inclusive).
9. Information regarding re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 (the Act) and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) is annexed hereto.

10. Members holding the shares in electronic form are advised to get their bank mandate updated with their respective Depository Participant as the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend (if any). Members holding the shares in physical form are requested to write to the Company's RTA for the registration or change of bank mandates for the payment of Dividend (if any).
11. Members who have not encashed their dividend warrants are advised to write to the Company immediately for claiming dividends declared by the Company earlier.
12. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company's RTA.
13. As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities are being carried out in dematerialised form only with effect from April 1, 2019. However, members can continue to hold shares in physical form. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.
14. Members seeking further information about the accounts are requested to write to the Company at [corporate@akartoolsLtd.com](mailto:corporate@akartoolsLtd.com) on or before 20th September, 2022, so that it may be convenient to get the information ready at the meeting.
15. Members are requested to furnish or update their e-mail IDs with Company's RTA for sending the soft copies of the Annual Report of the Company and to avail remote e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company.
16. Members are requested to send all their documents and communication pertaining to shares to Company's RTA; M/s Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apt., Marol Maroshi Road, Andheri East, Mumbai-400059, for both physical and demat segments of equity shares.
17. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Company's RTA for them to do the needful.
18. Book Closure and Dividend:
  - (i) The Register of Members and the Share Transfer Books of the Company will remain closed from 17th September, 2022 to 23rd September, 2022 (both days inclusive), for the purpose of Dividend and AGM.  
  
The dividend of Rs.0.25/- per share (i.e. 5%) on the Equity Shares of the Company of Rs.5/- each, if declared at the AGM, will be paid subject to deduction of income tax at source ('TDS'), as applicable, on or after Wednesday, 5th October, 2022 as under:  
  
For Shares held in electronic form: To all the Beneficial Owners as at the end of the day on Friday, 16th September, 2022 as per the list of Beneficial Owners to be furnished by NSDL and Central Depository Services (India) Limited ('CDSL'); and  
  
For Shares held in physical form: To all the Members, whose names appears in the Company's Register of Members after giving effect to valid transmission and transposition requests lodged with the Company as of the close of business hours on Friday, 16th September, 2022.
  - (ii) Dividend income is taxable in the hands of the Shareholders and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number ('PAN'), Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company/ Bigshare Services Private Limited, Registrar and Transfer Agent ('Registrar' or 'RTA' or 'Bigshare').  
  
A communication providing information and detailed instructions with respect to tax on the dividend for the financial year ended 31st March, 2022 is being sent separately to the Members whose email addresses are registered with the Company/DPs.

- (iii) Updation of mandate for receiving dividends directly in bank account through Electronic Clearing System or any other means in a timely manner:

Shares held in physical form: Members are requested to send the following documents in original to Bigshare latest by Thursday, 15th September, 2022:

- a. Form ISR-1 along with the supporting documents. The said form is available on the website of the Company at <https://www.https://akartoolsd.com/investor/investor-tool-kit.html>.
- b. original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:-
  - i) cancelled cheque in original.
  - ii) bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and the full address of the Bank branch.
- c. self-attested photocopy of the PAN Card of all the holders; and
- d. self-attested photocopy of any document (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

Shares held in electronic form: Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such Members for change/addition/ deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to ensure that their DPs update their Electronic Bank Mandate by Thursday, 15th September, 2022.

Further, please note that instructions, if any, already given by the Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.

For Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrant/ demand draft to such Members.

19. As per the provisions of Section 72 of Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he / she may submit the same in Form No. SH-14. Both forms can be downloaded from Company's website [www.akartoolsd.com](http://www.akartoolsd.com) under the 'Investor' Section. Members holding shares in physical form are requested to submit the shares to Company's RTA. Members holding shares in electronic form may submit the forms to their respective Depository participant.

20. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

Further, Members may please note that SEBI vide its Circular dated 25th January, 2022 mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company at <https://www.https://akartoolsd.com/investor/investor-tool-kit.html>.

21. Members are hereby informed that after the amendment of the erstwhile Companies Act, 1956 w.e.f. 31st October, 1998, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investor Education and Protection Fund ('the Fund') established by the Central Government. Sections 124

and 125 of the Companies Act, 2013 ('the Act'), read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), applicable w.e.f. 7th September, 2016, also make similar provisions for transfer of unclaimed/ unpaid dividend to the Fund.

As per the above provisions, unclaimed/ unpaid dividend up to the financial year ended 31st March, 2014 has been transferred by the Company to the Fund. Members who have not yet encashed their dividend warrant(s) for any subsequent financial years are requested to make their claims to the Company without any delay.

It may be noted that unclaimed dividend for the financial year 2014-15 declared on 30th September, 2015, can be claimed by the Members by 29th September, 2022.

Members are also requested to note that, pursuant to the provisions of Section 124 of the Act and the IEPF Rules, the Company is obliged to transfer all shares on which dividend has not been paid or claimed for seven consecutive years or more to an IEPF Demat Account.

Members/ claimants whose shares or unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF- 5 (available on [iepf.gov.in](http://iepf.gov.in)) along with requisite fee as decided by the IEPF Authority from time to time. The Member/ Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

In order to help Members to ascertain the status of unclaimed dividends, the Company has uploaded the information in respect of unclaimed dividends for the financial year ended 31st March, 2015 and subsequent years on the website of Investor Education and Protection Fund, [www.iepf.gov.in](http://www.iepf.gov.in) and under 'Investor' Section on the website of the Company, [www.akartoolsltd.com](http://www.akartoolsltd.com). Also the list of equity shareholders whose shares are liable to be transferred to IEPF can be accessed on the website of the Company [www.akartoolsltd.com](http://www.akartoolsltd.com) under 'Investor' section.

## 22. Process and manner for shareholders opting for voting through Electronic means:

- (i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the

Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 14th December, 2021 and 5th May, 2022, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a shareholder using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

- (ii) Shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 23rd September, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- (iii) A person who has acquired the shares and has become a shareholder of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, 23rd September, 2022, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.
- (iv) The remote e-voting will commence on Tuesday, 27th September, 2022 at 9.00 a.m. and will end on Thursday, 29th September, 2022 at 5.00 p.m. During this period, the shareholders of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Friday, 23rd September, 2022 may cast their vote electronically. The shareholders will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- (v) Once the vote on a resolution is cast by the Shareholder, he/she shall not be allowed to change it subsequently or cast the vote again.
- (vi) The voting rights of the shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Friday, 23rd September, 2022.



- (vii) The Company has appointed CS Nitin S. Sharma, Practising Company Secretary (Membership No. FCS: 8418; CP No: 9761), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
23. Process for those shareholders whose email ids are not registered:
- (i) 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 at email id corporate@akartoolsld.com.
  - (ii) For Demat shareholders - Please update your e-mail id and mobile no. with your respective Depository Participant (DP).
24. The instructions for shareholders for remote e-voting are as under:
- (i) The voting period begins on Tuesday, 27th September, 2022 at 9.00 a.m. and will end on Thursday, 29th September, 2022 at 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. Friday, 23rd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.



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

Pursuant to aforesaid SEBI Circular, Login method for e-voting and joining virtual meetings for individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in Demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or call at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020990 and 1800 22 44 30.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.
1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on "Shareholders" module.
  3. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  4. Next enter the Image Verification as displayed and Click on Login.
  5. 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 e-voting of any company, then your existing password is to be used.

6. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and physical form:
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the Company – AKAR AUTO INDUSTRIES LIMITED on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the origin password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting. 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.
- (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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
  - If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.
  - All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.
25. The instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:-
- i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
  - ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
  - iii. Only those 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.
  - iv. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders participating in the meeting.
  - v. Shareholders 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.
26. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.akartoolsLtd.com](http://www.akartoolsLtd.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within two days of the passing of the Resolutions at the 33rd Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
27. Instructions for shareholders for attending the AGM through VC/OAVM are as under:
- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Shareholders 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.
  - ii. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
  - iii. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - iv. 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.

- v. For ease of conduct, shareholders who would like to ask questions may send their questions in advance at least 7 days before AGM mentioning their name, demat account number / folio number, email id, mobile number at corporate@akartoolsLtd.com and register

themselves as a speaker. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

- vi. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

**By order of the Board of Directors  
For Akar Auto Industries Limited**

Date: 11th August, 2022  
Place: Aurangabad

Sd/-  
MITESH GADHIYA  
(Company Secretary)  
Membership No. FCS10000

**Contact Details:**

Company	Akar Auto Industries Limited Regd. Office: 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai – 400009, Maharashtra, India CIN: L29220MH1989PLC052305 Email: corporate@akartoolsLtd.com
Registrar and Transfer Agent	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apt., Marol Maroshi Road, Andheri East, Mumbai - 400059 E-mail: investor@bigshareonline.com
E-voting Agency	Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com Phone: 022-23058542/43
Scrutinizer	CS Nitin S. Sharma Practising Company Secretary E-mail: nitinsharmafcs@gmail.com

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO 4:

As regards to the appointment of Statutory Auditor referred in Item no. 4 of the Notice, following necessary disclosures are made for the information of the Members.

M/S Jaju and Kabra, Chartered Accountants, have been the Statutory Auditors of the Company since their appointment at the Annual General Meeting (AGM) held on 27th September, 2017. Pursuant to the provisions of Section 139(2) of the Companies Act 2013 ('the Act'), read with applicable Rules framed thereunder, the term of the present Statutory Auditors expires at the conclusion of the 33rd AGM. The Board of Directors places on record their appreciation for the services rendered by M/s Jaju and Kabra, Chartered Accountants.

Accordingly, the Board of Directors based on the recommendation of the Audit Committee proposed the appointment of M/s GSA & Associates LLP, Chartered Accountants, Delhi (Firm Registration No. 000257N/N500339) as Statutory Auditors of the Company in place of M/s Jaju and Kabra, Chartered Accountants. M/s GSA & Associates LLP, Chartered Accountants, have vide their letter dated 6th August, 2022, informed the Company that their appointment, if made, shall be in compliance with the provisions of Sections 139, 141 and 144 of the Act and Companies (Audit and Auditors) Rules, 2014. The Board recommends the appointment of M/s GSA & Associates LLP, Chartered Accountants, as the Statutory Auditors of the Company for a term of 1 (One) year to hold the office from the conclusion of the 33rd Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company.

Details as required pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- **Proposed statutory audit fees payable to auditors**  
Rs. 2.40 Lakhs as statutory audit fees for the year ending 31st March, 2023, excluding the out of pocket expenses paid by the auditors.
- **Terms of appointment**  
1 (One) year from the conclusion of 33rd Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company to be held in the year 2023.
- **Material change in fee payable**  
There is no material change in the proposed fees for the auditors.

- **Basis of recommendation and auditor credentials**  
The recommendations are based on the fulfilment of the eligibility criteria prescribed in the Companies Act, 2013.

None of the Directors or Managers or Key Managerial Persons of the Company or their relatives, are in any way deemed to be concerned or interested, financially or otherwise, in the resolution as set out in Item No. 4 of the Notice.

Your Directors recommend an Ordinary Resolution as set out in Item no. 4 of the Notice for the approval of Members.

### ITEM NO 5:

In Pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors (Board) shall appoint an Individual who is Cost Accountant in practice, as Cost Auditor on the recommendation of the Audit Committee, which shall also recommend remuneration for such auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the Members.

On recommendation of Audit Committee, the Board at their meeting held on 14th February, 2022 has considered and approved appointment M/s B. R. Chandak & Co, Cost Accountants, for conducting of Cost Audit of all applicable products at a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand Only) plus taxes as applicable for the Financial Year ending 31st March, 2023.

M/s. B. R. Chandak & Co has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the past several years.

None of the Directors or Managers or Key Managerial Persons of the Company or their relatives, are in any way deemed to be concerned or interested, financially or otherwise, in the resolution as set out in Item No. 5 of the Notice.

Your Directors recommend an Ordinary Resolution as set out in Item no. 5 of the Notice for the approval of Members.

### ITEM NO 6:

The Board of Directors of the Company ("the Board") at its meeting held on 14th February, 2022, has, subject to approval of members, re-appointed Mr. Pradeep

Nijampurkar (DIN: 01805132) as a Wholetime Director, designated as Executive Director, for a further period of 3 (three) years with effect from 1st April, 2022, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Pradeep Nijampurkar as a Whole-time Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Pradeep Nijampurkar are as under:

1. Period of Appointment: Three years effective from 1st April, 2022
2. Remuneration: The remuneration to be paid by way of salary or commission, up to maximum of Rs. One Crore per annum, as may be determined by the Board of Directors of the Company, upon the recommendation of Nomination & Remuneration Committee, subject to the overall ceilings stipulated in Sections 197, 198 and 309 read with Schedule V of the Companies Act, 2013.
3. Perquisites: Not entitled to any perquisites.
4. Minimum Remuneration: Notwithstanding anything contained herein, where in any financial year, during the tenure of the appointee, the company has no profits or its profits are inadequate, the company may, subject to the requisite approval, pay remuneration by way of salary/commission, not exceeding the maximum limit laid down in Section II of Part II of Schedule V to the companies Act, 2013, as may be agreed by the Board of Directors.

The terms and conditions of the said appointment and/or the Agreement are subject to provisions of Section 196, 197 and 198 of the Companies Act, 2013, read with Part II of Schedule V and may be altered and varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

In Compliance with the provisions of the Companies Act, 2013, the appointment and the terms of remuneration specified above are now being placed before the Members in the Annual General Meeting for their approval.

Mr. Pradeep Nijampurkar does not hold by himself or for any other person on a beneficial basis, any shares in the company.

The Board considers that it would be in the interest of the Company to re-appoint Mr. Pradeep Nijampurkar as the Whole time Director of the Company.

Except Mr. Pradeep Nijampurkar, being an appointee, none of the Directors or Managers or Key Managerial Persons of the Company or their relatives, are in any way deemed to be concerned or interested, financially or otherwise, in the resolution as set out in Item No. 6 of the Notice.

Your Directors recommend the Special Resolution set out at Item no. 6 for the approval of Members.

### ITEM NO 7:

The members at the Annual General Meeting held on 29th September, 2020, has approved the appointment of Mr. Sunil Todi as Managing Director of the Company for a period of five years, that is, from 16th September, 2020 to 15th September, 2025, for the remuneration in the range of Rs. 5,00,000/- (Rupees Five Lakhs only) per month to Rs. 12,00,000/- (Rupees Twelve Lakhs only) per month.

Considering the significant growth achieved by the Company, ambitious growth plan for immediate future, responsibilities borne by the Managing Director and the industry standards, the Board of Directors of the Company at its meeting held on 11th August, 2022 has, pursuant to the recommendation of Nomination and Remuneration Committee, passed a resolution for revision in the remuneration drawn by Mr. Sunil Todi. The material terms of remuneration to be paid to Mr. Sunil Todi shall be as given below:

1. Effective date for revision of remuneration:  
1st October, 2022
2. Remuneration:  
Total Gross Salary as may be decided by Nomination and Remuneration Committee from time to time in the range of Rs. 5,00,000/- (Rupees Five Lakhs only) per month to Rs. 14,00,000/- (Rupees Fourteen Lakhs only) per month.
3. Perquisites:
  - (a) Medical reimbursement of expenses incurred towards medical for self and family (spouse and children).
  - (b) Contribution towards provident fund, superannuation fund.



- (c) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- (d) Encashment of leave at the end of tenure.
- (e) Reimbursement of expenses incurred towards the use of telephone and internet connection.
- (f) Reimbursement of expenses incurred towards travelling (domestic and abroad) in connection with company's business.
- (g) Provision of car for business and personal use.
- (h) Reimbursement of expenses incurred towards residential electricity consumption.

4. Minimum Remuneration:

Notwithstanding anything contained herein, where in any financial year, during the tenure of Mr. Sunil Todi, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approval, pay remuneration by way of salary, perquisites not exceeding the maximum limit laid down in Section II of Part II of Schedule V to the Companies Act, 2013, as may be agreed by the Board of Directors.

In compliance with the provisions of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the members in the Annual General Meeting for their approval.

The above may be treated as an abstract of the terms of contract between the Company and Mr. Sunil Todi under Section 196 of the Companies Act, 2013. A copy of the aforesaid document setting out the terms and conditions is available for inspection without any fees by the members at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

Except Mr. Sunil Todi, none of the Directors or Managers or Key Managerial Persons of the Company or their relatives, are in any way deemed to be concerned or interested, financially or otherwise, in the resolution as set out in Item No. 7 of the Notice.

Your Directors recommend the Special Resolution set out at Item no. 7 for the approval of Members.

#### ITEM NO 8:

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. A transaction with a related party shall be considered as material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) Rs.1,000 crores, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

In the financial year 2023-24, the related party transactions as mentioned below, in the aggregate, are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions to be undertaken by the Company. All the transactions to be entered into would be in the ordinary course of business of the Company and on an arm's length basis.

The Company proposes to enter into transactions with its related party mentioned in Resolution at Item no. 8 of the Notice, during the financial year 2023-2024, as per the terms and conditions as mutually agreed upon between the parties. The Audit Committee of the Company has approved the said related party transactions at its meeting held on 11th August, 2022 and has noted that although the proposed related party transactions are in the ordinary course of business of the Company and shall be entered into at an arm's length basis, they may, in aggregate, cross the applicable materiality thresholds as mentioned above.

Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions to be undertaken by the Company.

Your Board of Directors considered the same and recommends passing of the resolution contained in Item No. 8 of the accompanying Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22nd November, 2021 is provided herewith:

i.	Name of the Related Party	1. R. L. Steels & Energy Limited 2. Akar Industries Private Limited
ii.	Type of transaction	R. L. Steels & Energy Limited: 1. Purchase of raw material 2. Sale of goods/ scrap/ others  Akar Industries Private Limited: 1. Purchase of raw material 2. Sale of goods/ scrap/ others
iii.	Material terms and particulars of the proposed transaction	Material terms and conditions inter alia include the rates which are based on prevailing market price and commercial terms at the time of entering into transactions.
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	R. L. Steels & Energy Limited: A public company in which, Mr. Narendrakumar Gupta, Director of the Company is a director and holds more than two per cent of its paid-up share capital.  Akar Industries Private Limited: A private company in which, Mrs. Usha Narendrakumar Gupta, relative of Mr. Narendrakumar Gupta, Director of the Company is a member and also a director.
v.	Tenure of the proposed transaction	During the financial year 2023-2024
vi.	Value of the proposed transaction	R. L. Steels & Energy Limited: 1. Purchase of raw material up to Rs. 200 Crores 2. Sale of goods/ scrap/ others up to Rs. 30 Crores  Akar Industries Private Limited: 1. Purchase of raw material up to Rs. 60 Crores 2. Sale of goods up to Rs. 60 Crores
vii.	Value of RPT as % of Company's audited annual turnover of Rs. 268.72 Crores for the financial year 2021-2022.	<b>For R. L. Steels &amp; Energy Limited:</b> RPT for FY 2023-2024: Purchase of raw material approximately 55.82% Sale of goods/ scrap/ others approximately 9.30%  RPT for FY 2021-2022: The value of RPT as % of Company's audited annual turnover for F.Y. 2021-2022 was approximately 39.29% for purchase of raw material and is approximately 6.05% for sale of goods/ scrap/ others.  RPT for FY 2020-21: The value of RPT as % of Company's audited annual turnover for F.Y. 2021-2022 was 27.66% for purchase of raw material and was 3.77% for sale of goods/ scrap/ others.  The increase in value of transaction is primarily attributable to upward price movement of steel during the previous years and to increase volume of business.  <b>For Akar Industries Private Limited:</b> RPT for FY 2022-2023: Purchase of raw material approximately 22.33% Sale of goods approximately 22.33%  There were no transaction with respect to purchase of raw material or sale of goods from/to Akar Industries Private Limited in the previous year.

viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) Details of financial indebtedness Incurred	Not Applicable
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable
ix.	Justification as to why the RPT is in the interest of the Company.	<p>R. L. Steels &amp; Energy Limited is one of the leading alloy steel manufacturing company in western India. It has steel manufacturing plant in Aurangabad, Maharashtra, a same city in which the Company has its manufacturing plants, therefore, procuring raw material from R. L. Steels &amp; Energy Limited helps the Company to save on transportation cost and also in delivery period as compared to other suppliers. These transactions are in normal course of business of the Company and at an arm's length basis.</p> <p>Akar Industries Private Limited is one of the group companies of R L Group of companies which operates from Aurangabad, Maharashtra, a same city in which the Company has its manufacturing plants, therefore, procuring raw material from Akar Industries Private Limited will help the Company to save on transportation cost and also in delivery period as compared to other suppliers. These transactions are in normal course of business of the Company and at an arm's length basis.</p>
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	Nil

The Members may please note that in terms of provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not) shall not vote to approve the ordinary resolution at Item No. 8 of the accompanying Notice.

Except Mr. Narendrakumar Gupta, none of the Directors or Managers or Key Managerial Persons of the Company or their relatives, are in any way deemed to be concerned or interested, financially or otherwise, in the resolution as set out in Item No. 8 of the Notice.

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief profile of Director, eligible for appointment / re-appointment vide Item no. 3 and 6 are as follows:

Name of Director	Mr. Narendrakumar Gupta	Mr. Pradeep Nijampurkar
DIN	00062268	01805132
Date of Birth	31/03/1959	13/07/1958
Date of Appointment	21/06/1989	01/04/2022
Qualification	Graduate	MBA (HR)
Experience	40 plus years of vast experience in steel industries, hand tools industries & forging industries	37 years of vast experience in steel industries, hand tools industries & forging industries in the field of Human Resource
Expertise in specific functional area	Production and Administration	Administration
Directorship held in other listed companies	Nil	Nil
Chairman/ Member of the Committees of the Board of other listed Companies	Nil	Nil
No. of shares held in Company (including as beneficial owner)	37,37,496	Nil
Relationship between Directors inter-se	Nil	Nil

**By order of the Board of Directors  
For Akar Auto Industries Limited**

Date: 11th August, 2022  
Place: Aurangabad

Sd/-  
MITESH GADHIYA  
(Company Secretary)  
Membership No. FCS10000