

SALZER ELECTRONICS LTD

Regd. Office : Samichettipalayam, Jothipuram (Post), Coimbatore -641 047. CIN : L03210TZ1985PLC001535

Phone No.0422-4233600/ 614/696, E-Mail : baskarasubramanian@salzergroup.com

web site : <https://www.salzergroup.net/>

NOTICE is hereby given that an Extra-ordinary General Meeting of the Members of Salzer Electronics Limited ("**the Company**") will be held on **Wednesday, December 07, 2022 at 11.30 A.M.** (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business as Special Businesses:

Item No.1

Issue of Warrants on Preferential basis

To consider and, if thought fit, to give your assent or dissent to the following resolution(s) as a special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other Rules and Regulations made thereunder (including any amendment(s), statutory modification(s) or re-enactment(s) thereof), (**'the Act'**), the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**'ICDR Regulations'**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited, the applicable provisions of the Foreign Exchange Management Act, 1999, including any amendment(s), statutory modification(s), variation(s) or re-enactment(s) thereof, and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, and subject to other applicable Rules / Regulations / Guidelines / Notifications / Circulars and clarifications issued thereunder, if any, from time to time by the Government of India, Ministry of Corporate Affairs (**'MCA'**), the Securities and Exchange Board of India, the Reserve Bank of India and/ or any other competent authorities to the extent applicable, and subject to all necessary approval(s), consent(s), permission(s) and/ or sanction(s), if any, of any third parties, statutory or regulatory authorities including the BSE Limited and National Stock Exchange of India Limited (**'Stock Exchanges'**), as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any Sub Committee duly constituted/ to be constituted by the Board of Directors thereof to exercise its powers including powers conferred under this resolution), the consent of the members of the Company be and is hereby accorded to offer, issue and allot from time to time in one or more tranches of **upto 17,00,000 (Seventeen Lakhs)** warrants, each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company of face value of Rs.10/- each (**'Warrants'**) at a price of **Rs.278.50/- (Rupees Two Hundred Seventy Eight and Fifty Paise only)** each payable in cash (**'Warrants Issue Price'**), aggregating upto **Rs. 47,34,50,000/- (Rupees Forty Seven Crores Thirty Four Lakhs and Fifty Thousand Only)** which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (**Eighteen**) months, to the Promoters' Bodies Corporate as more particularly furnished hereunder (hereinafter referred to as **'Proposed Allottees'**), by way of preferential issue in accordance with the terms and conditions as set out herein, subject to applicable laws and regulations, including the provisions of Chapter V of the ICDR Regulations and the Act, as the Board may determine."

S.No	Name of the Proposed allottee	Address	PAN	Category	No of warrants proposed to be allotted
1	Salzer Spinners Limited	Sikkarampalayam, Karamadai - Annur Road, Karamadai, Coimbatore-641104	AACCS7147R	Promoters' Bodies Corporate	5,00,000
2	SRVE Industries Limited	9/175A, Railway station Road, Periyanaickenpalayam, Coimbatore -641020	AALCS3274Q	Promoters' Bodies Corporate	1,00,000
3	KR Health Care Private Limited	No.90, F3- Mettupalayam Road, Periyanaickenpalayam, Coimbatore -641020	AABCK9628A	Promoters' Bodies Corporate	1,00,000
4	Salzer Exports Limited	9/175A, Railway station Road, Periyanaickenpalayam, Coimbatore -641020	AADCS0675B	Promoters' Bodies Corporate	5,00,000
5	Quebec Information Services India Limited	S F No.671/1, No.2, Gudalur Village, Samichettipalayam, Coimbatore -641047	AAECS3415Q	Promoters' Bodies Corporate	4,00,000
6	Saradha Investments Limited	F-2, First Floor, No.21, Srinivasa Nagar, Kandanchavadi, Omr Chennai Chennai - 600096	AADCS0232L	Promoters' Bodies Corporate	1,00,000
		Total			17,00,000

“RESOLVED FURTHER THAT in terms of the provisions of ICDR Regulations, the ‘**Relevant Date**’ for the purpose of determination of minimum/floor price for the issue and allotment of Warrants shall be **Monday, November 07,2022**, being the date 30 (thirty) days prior to the date of this Extraordinary General Meeting.”

“RESOLVED FURTHER THAT the preferential issue of Warrants and allotment of equity shares on the exercise of the Warrants, shall be subject to the following terms and conditions as prescribed under ICDR Regulations and other applicable laws:

- The Warrant holder shall, subject to the ICDR Regulations and other applicable rules, regulations and laws, be entitled to apply for and be allotted 1 (one) equity share against each Warrant.
- The Warrant shall be issued and allotted by the Company to Proposed Allottees within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the allotment of the Warrants is subject to receipt of any approval or permission for such issue and allotment by any regulatory authority or the Government of India, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of such approval or permission.”.
- Minimum amount of **Rs.69.63/-**, which is equivalent to 25% of the Warrants Issue Price, shall be paid at the time of subscription and allotment of each Warrant. The warrant holder will be required to make further payments of **Rs.208.87/-**, which is equivalent to 75% of the Warrants Issue Price at the time of exercise of the right attached to Warrant(s) to subscribe to equity share(s).
- The Warrants shall not carry any voting rights until they are converted into equity shares.
- The right attached to Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice (**‘Conversion Notice’**) to the Company specifying the number of Warrants proposed to be converted and the date designated as the specified conversion date (**‘Conversion Date’**). The Company shall accordingly, without any further approval from the Members, allot the corresponding number of equity shares in dematerialized form on the Conversion Date mentioned in the Conversion Notice, subject to payment of the relevant Warrant exercise amount by the Warrant holder to the designated bank account of the Company.
- The tenure of Warrants shall not exceed 18 (eighteen) months from the date of allotment of Warrants. If the entitlement against the Warrants to apply for the equity shares of the Company is

not exercised by the Warrant holder within the aforesaid period of 18 (eighteen) months, the entitlement of the Warrant holder to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid by the Warrant holder on such Warrants shall stand forfeited by the Company.

- g) The equity shares to be allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* with the then existing equity shares of the Company in all respects including the payment of dividend and voting rights.
- h) The Warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of rights attached to such Warrants shall be subject to lock-in as specified in the provisions of Chapter V of the ICDR Regulations.
- i) The Warrants by itself, until exercised and converted into equity shares, shall not give the Warrant holders any rights with respect to that of an equity shareholder of the Company.
- j) The equity shares allotted upon conversion of the Warrants will be listed on the Stock Exchange(s) where the existing equity shares of the Company are listed, subject to the receipt of necessary permissions and approvals, as the case may be and
- k) The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the LODR Regulations and all other applicable laws, rules and regulation.

“RESOLVED FURTHER THAT the monies received by the Company from the Proposed Allottees for application of the Warrants and subsequent exercising of options attached to the warrants converting into equity pursuant to this Preferential Issue of Warrants shall be kept by the Company in a separate bank account opened by the Company and shall be utilized by the Company in accordance with Section 42 of the Companies Act and relevant rules framed thereunder.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Proposed Allottees and subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the Preferential Issue to aforementioned proposed allottees, as may deem expedient.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient for the same and to resolve and settle all questions and difficulties that may arise in relation to the proposed Preferential Issue of Warrants, offer and allotment of any of the Warrants, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities including application to the Stock Exchanges for obtaining in-principle approval, listing of shares on conversion of the Warrants, filing of requisite documents with the Stock Exchanges, Registrar of Companies, National Securities Depository Limited (“NSDL”), Central Depository Services (India) Limited (“CDSL”) and/or such other authorities as may be necessary for the purpose, issuing and allotment of the Warrants, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit, without being required to seek any further consent or approval of the members or otherwise and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as may be required in connection with the aforesaid resolution and also to delegate all or any of the powers herein conferred to any committee of the Board or any director(s) or officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the Stock Exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and regulatory authorities.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers herein conferred, as it may deem fit in its absolute discretion, to any Committee of the Board or any one or more Directors/Company Secretary/any officers of the Company to give effect to the aforesaid resolutions.”

“RESOLVED FURTHER THAT all actions taken by the Board including any of its duly constituted Committee in connection with any matters referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects”

(By the Order of the Board)
For Salzer Electronics Limited

Date : November 10,2022
Place : Coimbatore

Sd/-
D.RAJESH KUMAR
Joint Managing Director and CFO
(DIN:00003126)

Notes:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India as approved by the Central Government on General Meetings (SS-2) setting out material facts relating to the relevant resolutions of this Notice is annexed herewith and the same should be taken as part of this Notice.
2. General instructions for accessing and participating in the EGM through VC/OAVM Facility and voting through electronic means including remote e-voting:
 - a. In compliance with the provisions of the Ministry of Corporate Affairs ('MCA') General Circular No. 3/2022 dated May 5, 2022 read with Circular Nos. 14 & 17/2020 dated April 8, 2020 and April 13, 2020 read with General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 08, 2021 along with respectively, and the Securities and Exchange Board of India ('SEBI') Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, (collectively referred to as 'Applicable Circulars') given various relaxations including, holding of the EGM through VC/ OAVM in view of COVID-19 restrictions.
Accordingly, in compliance with the provisions of the Act, SEBI LODR Regulations and the Applicable Circulars, the EGM of the Company is being conducted through VC/OAVM Facility, without the physical presence of Members.
 - b. Since the EGM is being held through VC, in accordance with the Applicable Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
 - c. In pursuance of Section 113 of the Act, Institutional/ Corporate Shareholders (i.e. other than individuals HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the EGM through VC/ OAVM on its behalf and to vote through remote e-voting.
 - d. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 - e. Since the EGM will be held through VC/ OAVM Facility, the Route Map is not annexed to this Notice.
 - f. National Securities Depository Limited (“NSDL”) will be providing facility for voting through remote e-Voting, for participation in the EGM through VC/OAVM Facility and e-voting during the EGM.
 - g. Members may join the EGM through VC/ OAVM facility by following the procedure as mentioned below which shall be kept open for the Members from **11.15 A.M.** IST i.e. 15 minutes before the time scheduled to start the EGM and the Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled time to start the EGM.

- h. The facility of participation at the EGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis as per MCA Circular. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee of the Board, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
- i. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- j. 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 LODR Regulations, the Company is providing facility of remote e-voting to its Members holding shares in physical or dematerialized form, as on the cut-off date, being **November 30,2022, Wednesday**, to exercise their right to vote through electronic means from a place other than the venue of the Meeting on the businesses specified in the accompanying Notice (the "Remote e-voting"). The instructions for e-voting are given herein below.
- k. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the EGM.
- l. The Board of Directors has appointed G V and Associates, Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
- m. The facility for voting, either through electronic voting system shall also be made available at the EGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the EGM.
- n. The Members who have cast their vote by remote e-voting prior to the EGM may also attend the EGM through VC / OAVM but shall not be entitled to cast their vote again.

3. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **December 03,2022, Saturday, at 9:00 A.M.** and ends on **December 06,2022, Tuesday at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **November 30,2022, Wednesday**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **November 30,2022**.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the " Beneficial Owner " icon under " Login " which is available under ' IDEAS ' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " Access to e-Voting "

	<p>under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered..**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting"
- Now you are ready for e-Voting as the Voting page opens
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vasudevanacs@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go

through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 murugesan@salzergroup.com or geetha.r@salzergroup.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to murugesan@salzergroup.com or geetha.r@salzergroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM 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 in the EGM
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their

respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who wish to register themselves as speaker shareholder (to speak at the EGM) are requested to write to the Company, from their registered email address mentioning their name, DPID & Client ID / Folio No, PAN, Mobile No., **on or before December 05, 2022, Monday (upto 5.00 P.M IST)** to "murugesan@salzergroup.com or geetha.r@salzergroup.com". Those members who have registered themselves as a speaker shareholder will only be allowed to express their views / ask questions during EGM. The company reserves the right to restrict the number of speakers depending on the availability of time for the EGM
6. The Results shall be declared within two working days of the Extra Ordinary General Meeting of the Company. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.salzergroup.com and on the website of NSDL and the same shall also be communicated to BSE and NSE, where the shares of the Company are listed.
7. Any person who becomes a Member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e **November 11,2022, Friday**, he may either write to the company for call for notice or down load the notice from the website of the company to cast their vote as advised therein

EXPLANATORY STATEMENT TO THE NOTICE

(Pursuant to the provisions of section 102 of the Companies Act, 2013)

Item No 1: Issue of Equity Shares and Warrants on Preferential basis to the Promoters Bodies Corporate

The Company is engaged in the manufacturing of various low voltage electrical components like rotary switches and load break switches, modular and foot switches and other electrical components like torodial transformers, cable ducts, terminal connectors, relays, energy savers, wires and cables, Wires Harness etc.

In order to enhance net-worth and financial position, augment long term resources and ensuring long term viability and growth of the Company including to meet working capital requirement as well as to meet general Corporate Purpose and for such other purposes as may be decided by the Board in the interest of the Company without prejudice, the Board of Directors at their meeting held on **November 07,2022** decided after detailed review to raise funds on a long term basis by means of issuance of not exceeding **17,00,000 (Seventeen Lakh)** convertible warrants on preferential basis at an issue price of **Rs. 278.50/-** per warrant for an aggregate amount of **Rs. 47,34,50,000/-** to the select persons comprising Promoters' Bodies Corporate of the Company, who have confirmed their eligibility in terms of Regulation 159 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the '**SEBI ICDR Regulations**').

Pursuant to provisions of Section 62(1)(c) read with Section 23 and 42 of the Companies Act, 2013 ("**Act**"), and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the '**SEBI LODR Regulations**'), as amended from time to time, any preferential allotment of securities including share warrants needs to be approved by the shareholders of the company by way of Special Resolutions.

The Company is otherwise eligible to make the Preferential Allotment in terms of the provisions of Chapter V of the SEBI ICDR Regulations. There will be no change in the control or management of the Company pursuant to the proposed preferential issue. Consequent to the allotment of equity shares including equity shares to be issued and allotted upon exercise of right attached to the Warrants, the shareholding of the Promoters and Promoter Group shall increase as per details given herein below.

Salient features of Preferential Issue of Warrants are set out in the Resolutions. Further, disclosures as required in accordance with the provisions of the Act and SEBI ICDR Regulations are as under:

1. The objects of the Preferential Issue:

The Objective of the issue is to enhance net-worth and financial position, augment long term resources and ensuring long term viability and growth of the Company including to meet working capital requirement as well as to meet general Corporate Purpose and for such other purposes as may be decided by the Board in the interest of the Company without prejudice

2. Maximum number of securities to be issued

The resolutions set out in the accompanying notice authorises the Board to raise funds aggregating upto Rs. **47,34,50,000/-** by way of issuance of **upto 17,00,000 (Seventeen Lakhs Only) warrants**, each convertible into, or exchangeable for 1 (one) fully paid-up equity share of the Company of face value of Rs.10/- each at a price of Rs. **278.50/-** each payable in cash.

Minimum amount of **Rs. 69.63/-**, which is equivalent to 25% of the Warrants Issue Price shall be paid at the time of subscription and allotment of each Warrant.

The warrant holder will be required to make further payments of **Rs.208.87/-** for each Warrant, which is equivalent to 75% of the Warrants Issue Price at the time of exercise of the right attached to Warrant(s) to subscribe to equity share(s) over the period of 18 months from the sdate of subscription of warrants.

3. Intent of the promoters, directors or key managerial personnel of the Company to subscribe to the offer

The Preferential Issue is being made to the Promoters' bodies corporate owned by the Promoters. None of the Directors and Key Managerial Personnel are participating in the issue.

4. Relevant Date

The 'Relevant Date' as per ICDR Regulations for the determination of the minimum price for Warrants to be issued is fixed as **Monday, November 07, 2022** i.e. 30 (thirty) days prior to the date of this Extraordinary General Meeting.

5. Basis or justification for the price (including the premium, if any) has been arrived at

In terms of the ICDR Regulations, the minimum price at which the Warrants can be issued is **Rs.278.50/-** per Warrant, as per the pricing formula prescribed under the ICDR Regulations for the Preferential Issue and is the highest of the following

- a) 90 Trading Days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. **250.62/-** per equity share; or
- b) 10 Trading Days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. **Rs. 277.05** per equity share; or
- c) The price determined under the valuation report from the independent registered valuer.

In this regard, the Company has obtained a valuation report from Ms. Veena.B, an independent registered valuer (Regd. No. (Regn No. IBBI/RV/06/2019/10799) having its office at 38A, New Chitrambalam Layout, Pappanaickenpalayam, Coimbatore – 641037 , and the minimum price for the preferential issue determined by such independent registered valuer is **Rs.275.50/-**

The aforesaid valuation Report is also available on the website of the company at www.salzergroup.net

The Articles of Association of the Company does not prescribe any method for a price for the preferential issue as warranted under Regulation 164(1) of SEBI ICDR Regulations

Further, as the equity shares of the Company have been listed for a period of more than ninety trading days prior to the Relevant Date, the Company is not required to re-compute the issue price as per Regulation 164(3) the ICDR Regulations.

6. The class or classes of persons to whom the allotment is proposed to be made

The Preferential Issue of Warrants is proposed to be made only to promoters' Bodies Corporate of the Company

7. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as the price

The Company has not made any preferential allotment during the financial year 2023.

8. Shareholding pattern of the Company before and after the Preferential Issue of the Company

Sr. No.	Category of Shareholder	Pre-issue		Additions	Post-Issue	
		No. of shares held	% on Total Holding		No. of shares held	% on Total Holding
A. Shareholding of Promoter and Promoter Group						
Indian:						
1	Individual	11,53,325	7.22%	-	11,53,325	6.52%
2	Bodies Corporate	32,32,061	20.22%	17,00,000	49,32,061	27.89%
3	Foreign Promoters including NRI	7,83,289	4.90%	-	7,83,289	4.43%
	Total (A)	51,68,675	32.34%	17,00,000	68,68,675	38.84%
B. Public Shareholding						
B1.	Institutions					
1	Mutual Funds / UTI/ Banks/ FIs	-	-	-	-	-
2	Foreign Institutional Investors	9,59,340	6.00%	-	9,59,340	5.43%
	Sub-Total (B1)	9,59,340	6.00%	-	9,59,340	5.43%
B2.	Non-institutions					
1	Clearing Members	57,039	0.36%	-	57,039	0.32%
2	Trusts	110	0.00%	-	110	0.00%
3	Directors and their relatives	67,721	0.42%	-	67,721	0.38%
4	Key Managerial Personnel	22,068	0.14%	-	22,068	0.12%
5	Investor Education and Protection Fund (IEPF)	1,74,588	1.09%	-	1,74,588	0.99%
6	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	59,76,626	37.39%	-	59,76,626	33.80%
7	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	20,08,537	12.57%	-	20,08,537	11.36%
8	Non Resident Indians (NRIs)	6,78,367	4.24%	-	6,78,367	3.84%
9	Foreign Nationals	5,500	0.03%	-	5,500	0.03%
10	Bodies Corporate	8,64,166	5.41%	-	8,64,166	4.89%
	Sub-Total (B2)	98,54,722	61.66%	-	98,54,722	55.73%
	Total (B) i.e B1 +B2	1,08,14,062	67.66%	-	1,08,14,062	61.16%
	GRAND TOTAL (A) +(B)	1,59,82,737	100.00%	17,00,000	1,76,82,737	100.00%

* The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares

9. Time frame within which the preferential issue shall be completed :-

In accordance with Regulation 170 of the ICDR Regulations, the allotment of the Warrants shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval(s) or permission(s).

10. Principal terms of assets charged as securities

Not applicable.

11. Material terms of raising such securities

The equity shares to be allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu with the then existing equity shares of the Company in all respects including the payment of dividend and voting rights.

12. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the Proposed Allottees

S.No.	Name of Proposed Allottes	Ultimate Beneficial Owners and their Holding % of the equity share capital in the proposed allottees
1	Salzer Spinners Limited	Vishnu Rangaswamy .30%, Salzer Electronics Ltd-16%*, Saradha Investments Limited-19%** , R Doraiswamy- 7%, D Rajeshkumar- 5%, Jitendra Kantilal Vakharia- 3%, Kirit Kantilal Vakharia- 3%, Quebec Information Services I Ltd-2%** , Kantilal Vajeshanker Vakharia-2%, Kantilal Vajeshanker Vakharia-2%, Salzer Exports Ltd-1%** , Kantilal Vajeshanker Vakharia-1%, Mrudu Kantilal Vakharia- 1%, Mrudu Kantilal Vakharia- 1%, SRVE Industries Limited-1%** , Chandrasekaran R -1%, Papammal 1% and others -3%
2	SRVE Industries Limited	D.Rajesh Kumar – 23%, Vishnu Rangaswamy-3%, R.Doraiswamy-16%, Thilagam Rajesh Kumar – 18%, SRVE Industries – (Beneficiaries/Partners- Rajesh & R. Sumithra)- 24%, Quebec Information Services India Limited-15%** and R Sumithra-1%
3	K R Health Care Pvt Limited	Vishnu Rangaswamy -48%, R Doraiswamy -3%, Thilagam Rajesh-46% and D Rajesh Kumar-3%
4	Salzer Exports Limited	Vishnu Rangaswamy -74%, R Doraiswamy -4%, Thilagam Rajesh-3%, D Rajesh Kumar-3% , S R V E Industries Limited -5%** , Quebec Information Services India Limited -3%** , Saradha Investment Ltd-5%** , Sumathra-1%, R Anitha-1% and Saradha – 1% .
5	Quebec Information Services India Limited	Thilagam Rajeshkumar -8%, Rajesh Kumar.D-8%, Doraiswamy.R-8%, M.Anitha.R-3%, R.Sumithra -3%, Salzer Exports Ltd -36%** , Saradha Investments Ltd -16%** , SRVE Industries Limited -14%*,Vishnu Doraiswamy-1%, Hariharan A -1%, Manimegalai-1% and Papammal-1%
6	Saradha Investments Limited	R. Doraiswamy - 5%, Salzer Exports Limited -14%** , R. Thilagam -7%,D. Rajeshkumar -6%,Quebec Information Services India Ltd - 6%** , S R V E Industries Limited -6%** , Salzer Spinners Ltd - 5%** , Schnell Energy Equipments Pvt Ltd - 4%***, D. Vishnu Rangaswamy - 4%, R. Karunakaran - 3% , Newtech Cables (Beneficiary - S Venkatachalam) - 3%, Maheswari.A -3%, Kalaiselvi V -3%, Mahendran.B -2%, K R Health Care Private Limited - 2%** , J Santosh - 2%, Bakkiyalakshmi Subbian - 2%, Pneumatic Controls -2%, Padmavathi.T -2%, A. Manimegalai -2%, Rajalakshmi R -2%, Venkatachalam S -1%, Hariharan A -1%, Chitra M S -1%, S R V E Industries (Beneficiaries - D Rajesh Kumar and Sumathra) - 1%, Devaraj.K -1%, Shanmugasundaram A -1%, M Rangaswamy - 1%,Dhanalakshmi.N -1%, Lalithamani D -1%,Muruganandam -1%, Dhanalakshmi.M -1%, Ravikumar.R -1%, Jothimani -1% & Others -2%

* Being the listed Company at BSE and NSE, such further disclosure of beneficial Ownership does not arise

** Refer respective name of the Body corporate given above to ascertain its beneficial owners

*** Beneficial Owner

S.No.	Name of the entity	Ultimate Beneficial Owners and their Holding % of the equity share capital of Schnell Energy Equipments Pvt Ltd
	Schnell Energy Equipments Pvt Ltd	Nithin Jaganathan-91%, Jaganathan-2%, R Dhamodharaswamy-1% and T Siva Kumar -7%

13. The percentage of the post-preferential issue that may be held by the Proposed Allottee and change in control, if any, in the Company consequent to the Preferential Issue :-

S.No	Name of the Proposed allottee	Category	Pre Issue % Holding	Number of Equity Shares proposed to be allotted or to be allotted post conversion of Warrants into Equity	Post Issue % Holding
1	Salzer Spinners Limited	Promoter Bodies Corporate	0.00%	5,00,000	2.83%
2	SRVE Industries Limited	Promoter Bodies Corporate	4.52%	1,00,000	4.65%
3	KR Health Care Private Limited	Promoter Bodies Corporate	2.53%	1,00,000	2.86%
4	Salzer Exports Limited	Promoter Bodies Corporate	2.41%	5,00,000	5.00%
5	Quebec Information Services I Ltd	Promoter Bodies Corporate	4.42%	4,00,000	6.26%
6	Saradha Investments Limited	Promoter Bodies Corporate	5.01%	1,00,000	5.10%
	TOTAL			17,00,000	

* The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

The pre-allotment shareholding held by the promoter and promoter group in the Company is **32.34%**, which will increase to **38.84%** pursuant to the conversion of all the Warrants allotted into equity shares of the Company by the Proposed Allottees. Please refer to the "Shareholding pattern of the Company before and after the Preferential Issue" above for further reference.

There will be no change in the composition of the Board nor any change in the control of the Company consequent to the proposed preferential issue.

14. Undertaking:

The Company hereby undertakes that:

- None of the Company, its Directors or Promoters have been declared as wilful defaulter or fraudulent borrower as defined under the ICDR Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the ICDR Regulations.
- The Company is eligible to make the Preferential Issue to the Proposed Allottees under Chapter V of the ICDR Regulations.
- As the Equity Shares have been listed for a period of more than ninety days as on the Relevant Date, the provisions of Regulation 164(3) of ICDR Regulations governing re-computation of the price of shares shall not be applicable.
- However, The Company shall re-compute the price of the Equity Shares to be allotted under the Preferential Allotment in terms of the provisions of SEBI ICDR Regulations where it is required to do so and
- If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the Equity Shares to be allotted under the Preferential Allotment shall continue to be locked-in till the time such amount is paid by the allottees.

15. Current and proposed status of the Proposed Allottees post the preferential issue viz. promoter or non-promoter

The respective current status of the proposed allottees as the Promoters' Bodies Corporate shall continue even after post issue

16. Valuation and Justification for the allotment proposed to be made for consideration other than cash

Not applicable

17. Lock-in period

The Warrants allotted pursuant to this resolution and/or the resultant equity shares to be issued and allotted upon exercise of right attached to the Warrants as above shall be subject to a lock-in for such period as per the provisions of Chapter V of the ICDR Regulations.

18. Practicing Company Secretary's Certificate

The certificate from G.V. and Associates, Practicing Company Secretaries, certifying that the Preferential Issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be made available for inspection by the Members during the meeting and will also be made available on the Company's website and will be accessible at link: www.salzergroup.com

19. Other disclosures

- a) During the period from April 01, 2022, until the date of Notice of this EGM, the Company has not made any preferential issue of equity shares.
- b) the Company has obtained the report of the registered valuer as required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Issue and under applicable provisions of SEBI ICDR Regulations, which is made available on the website of the Company at www.salzergroup.com.
- c) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer is not applicable as the allotment of equity shares under the Preferential Issue is for a cash consideration.
- d) The proposed allottees have confirmed that they have not sold or transferred any equity shares of the Company during the 90 trading days preceding the Relevant Date. The Proposed allottees, have further confirmed that they are eligible under SEBI ICDR Regulations to take part in the preferential issue

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said warrants to the Proposed Allottees is being sought by way of a special resolution as set out in the said item no. 1 of the Notice.

Issue of the equity shares pursuant to the exercise of the rights attached to warrants would be within the authorised share capital of the Company.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the resolution at Item No.1 of the accompanying Notice for approval by the Members of the Company as a Special Resolution.

Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

None of the Directors, Key Managerial Personnel or their relatives thereof are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No. 1 of this notice except and to the extent of their shareholding in the Company

(By the Order of the Board)
For Salzer Electronics Limited
Sd/-

D.RAJESH KUMAR
Joint Managing Director and CFO
(DIN:00003126)

Date : November 10, 2022

Place : Coimbatore
