

Transcript of Salzer Electronics 38th Annual General Meeting held on 09th September 2023.

K M Murugesan: Very Good morning participants. I am Murugesan, Company Secretary, attending this meeting from the registered office of the Company, Coimbatore. First of all, I would like to extend my hearty and warm welcome to every one of you to this 38th Annual General Meeting of the Company for the Financial Year 2022-23. This meeting is being held through video conferencing and other audio-visual means as permitted by the Ministry of Corporate Affairs and Securities and Exchange Board of India. This meeting is online and back-to-back proceedings are dually recorded. The attendance of the members attending this virtual Annual General Meeting stands counted for the purpose of retaining the quorum under Section 103 of the Companies Act 2013.

Let me brief some of the key rules relating to this meeting. Only the registered speaker shareholders are entitled to talk at this meeting at the appropriate time with the permission of our Chairman. The registered speakers are requested to limit the time of speech to not exceeding 3 minutes. Please raise questions that are relevant and constructive and avoid any hypothetical questions. If any speaker shareholders have any connectivity issues to speak, we will call the next speaker Shareholder to speak. Once the connectivity improves, the concerned speaker shareholder will be called again after all other speaker Shareholders have spoken. If the speaker shareholder is unable to join through video during his turn for any reason, he can speak through audio mode. The speaker shareholders are requested to ensure that you have stable connectivity to the device through which you are attending the meeting and you are in a place away from any background noises and disturbance. Once the turn for a particular speaker shareholder comes, a notification will appear on your device screen, and you can unmute yourself and speak. Other members who are watching the proceedings of the meeting through the NSDL e-voting platform can send their questions through a chat box available on the platform at any time during the proceedings of this meeting. The questions from the registered speakers as well as other viewing members will be collated and addressed by the Board Members before the end of this meeting. In this meeting, the Company had provided a remote e-voting facility to its members in respect of the resolution as set out in the notice of the 38th Annual General Meeting. The remote e-voting period commenced on September 4, 2023, at 9 AM and ended on September 8, 2023 at 5 PM. The

facility for voting is also made available at this meeting and the members attending the meeting who have not already cast their vote by remote e-voting can exercise their right to vote at this meeting. The voting facility at the meeting will be available till 15 minutes after the closure of the proceedings of this meeting. The Board of Directors has appointed Mr. G Vasudevan, practicing Company Secretary as a scrutinizer to scrutinize the voting process in a fair and transparent manner. The voting results along with the scrutinizers report will be placed on the Company's website, website of the Stock Exchanges as well as NSDL within 48 hours after the conclusion of the meeting. Since this meeting is being held through video conferencing under a resolution forming part of the notice convening this AGM has already been put to vote through electronic voting, the practice of proposing an understanding of resolutions is not required and will not be followed in the meeting. As per the report from the moderator, 85 shareholders have joined this meeting on the NSDL platform and have been watching the proceedings from multiple locations and also dually formed the quorum for the commencement of the meeting in pursuance of our articles of association. Now I would like to request our Chairman to commence the proceedings of our 38th Annual General Meeting for the financial year 2022-23. Chairman Sir, now the floor is open to you. Thank you, sir.

Chairman: Thank you, Mr. Murugesan, for the broad indication of what is to be done at this meeting. So, the members, a very good morning to all of you. I am happy to see you again and trust you're all fine and in good health. Since the requisite forum is now available to us at this meeting, I am formally declaring the meeting as open. Now I am the Chairman of the Board of this Company My name is N Rangachary. I am talking to you from Bangalore from my residence. Now we have Directors present and I would request all of them to introduce themselves to you. There are two Directors who will not be able to see you today names are Mr. P A Ramachandran and the other is Mr. Vishnu and the rest of us are here to attend the meeting. Mr. R Doraiswamy Sir, will you introduce yourself?

Doraiswamy: I am R Doraiswamy, Managing Director, sitting in the Salzer office at Samichettipalayam, Coimbatore. I am alone here, and nobody is with me.

Rajesh: Hello, I am Rajesh, Joint Managing Director and the CFO of the Company, and I am attending the AGM from the registered office of the Company in Coimbatore.

Veerarghavan Sankaran: I am Veerarghavan Sankaran, an Independent Director and the Chairman of the Audit Committee; Nomination and Remuneration Committee; and a member of the Risk Management Committee and I have joined the meeting from my residence in Bangalore.

Nirmal Kumar Chandria: I am Nirmal Kumar Chandria. I am attending this meeting from my Company, and I am an Independent Director.

Priya Bhansali: Good morning. This is Priya Bhansali, Independent Director attending this meeting from my daughter's residence in Florida.

Sharat Chandra Bhargava: I am Sharat Chandra Bhargava, Independent Director attending this meeting from my residence in Mumbai. I am a member of the Risk Management Committee.

Doraiswamy: I am Doraiswamy, Managing Director, sitting in the Salzer office at Samichettipalayam, Coimbatore and I am alone here. Nobody is with me.

Rajesh: I am Rajesh joint, MD and CFO of the Company; I am attending the AGM from the registered office of the Company in Coimbatore.

Shankaran: I am Shankaran Independent Director and chairman of the Audit Committee and nomination and remuneration committee and member of the Risk Management Committee, and I have joined this meeting from my residence at Bangalore

Thilagam Rajesh: I am Thilagam Rajesh, Independent Director attending my meeting from the hospital, Coimbatore.

Jayabal: Good Morning. I am Jayabal, Director, attending from the office.

K. M. Murugesan: Ok Sir. P. K. Shah Sir.

P. K. Shah: Good Morning I am P. K. Shah, Independent Director, and a Member of Nomination and Remuneration Committee, attending the meeting from Bangalore.

Chairman: Then we also have Mr. Jayaram from the Statutory Auditor's office, Mr. Jayaraman from Covai Management Services, who were our internal auditors. Then we have our Secretarial Auditor Mr. Vasudevan.

K M Murugesan: : Tech team, can you look into the audio?

Chairman: It is my privilege to invite you all and greet you on this 38th Annual General Meeting of Salzer Electronics Limited for the financial year 2022-23 held, among other things, to take the stock of the events that had happened in the financial year that ended on 31st March 2023 and also to adopt the audited financial statements of the Company. We meet once again under the most modern technique of Video-Conferencing facility that has been permitted to be adopted by companies holding the AGM.

This is the fourth year in a row that we are adopting this practice. Though this facility does not permit a face to face discussion between and among people, I feel that this is worthwhile alternative to adopt since it gives an opportunity to those shareholders not placed in and near Coimbatore, where our registered office is situated, to participate in the discussions, voice their views directly and have an interaction with the Company's management and the Board to these people. To my mind, the shareholders participation in such a meeting tends to be very active.

The financial statements together with the audit reports thereon along with the prescribed data and information have been with you for some time now and I hope you have familiarized yourself with those documents and the same have been placed before you for kind consideration and approval.

Your Company has been engaged in manufacturing activities all these years and has shown striking improvement in its progress year after year. If we look around, we can notice that our country's progress and strength lie in its economy which can be supported by our manufacturing and service sectors. In the last two decades, the Service Sector has grown phenomenally well due to some structural

and technology changes in the Indian Economy and revolution of Information and Technology and as the result, the service's sector contribution to our Gross Domestic Product (GDP) is much more than the manufacturing sector. But, it is the manufacturing sector that provides the sinews for growth leading to creation of long term assets, labour efficiency, stability etc. We have seen that the promoters of the manufacturing sectors have had a long innings of operation and houses like Tatas, Birlas, Reliance, TVS, etc. are notable names in this sector.

We Salzer also claim some credit for being in this area and our long innings of more than 35 years as a manufacturer, testifies to our commitment to the Society and nature at large.

Our location in Coimbatore, noted for its industrial climate, adds to our strength. We are engaged in production of electronic and electrical components which are being used both in industries and households and we serve a variety of industries and establishments, our clientele, as you may have noticed from our statements, are spread across a broad spectrum both in India and Abroad.

I will come back to one more aspect of this feature, a little later.

Before I proceed further, I must refer to two assurances that I gave you all at the last physical meeting that we had in 2019. I had mentioned then that Salzer's sales would exceed Rs. 1000 Crores in 3 to 4 years' time and that we would declare enhanced dividends. Both those have been achieved by Salzer due to a committed performance by the workers and the supervisors at all levels and I must on your behalf, thank them all for coming out in flying colours.

If we look into business and its growth prospects in the past year, the global environment was clouded with geo-political unrest and economic volatility. The war on the Russian- Ukrainian front has not been a small time affair as expected but has prolonged involving into itself a number of countries that have suffered economically in the process. Inflation has been a worrying prospect world-wide due to severe supply-chain constraints. This has led to a tightening of monetary policies across globe. Growth has been somewhat weak in European and American Continents.

Conversely, the Asian region has not suffered much in the global turmoil. In fact, India has, by adopting sensible policies on all fronts, emerged as the strongest player and the growth in the economy for the quarter ended 30th June 2023 had been above 7%.

One of the Results on the Geo- Political and economic issues is that many countries including USA, have started looking inwards and want to self-develop their skills and apply them widely. The spirit of globalisation that had ruled the world for the last four generations has started yielding to self- growth and self-belief. Factors of production have started moving away from the cheapest economic and production zones to new and peaceful areas. India stands to benefit from this move. You might have noticed that some industries have started looking for re-location to India. One of these is the cell-phone manufacturing activity. Linked with the other major problems of climate control which has assumed global importance, activities in new and fresh areas of development are afoot. Climate Control is anchored on de-carbonisation of the atmosphere and warranting the adoption of alternative fuel to drive your machineries and motors, and prompting the dependence on electronic systems driven by non-traditional methods.

We, in Salzer, feel that the time is opportune for us to develop since our products and plans eminently fit to the requirements of industries. The electric vehicle manufacture which is currently a potential business that has encouraged a number of enterprises to set up facilities which will ultimately require electronic support. We are confident that Salzer and its subsidiary Kaycee industries Limited are well-suited to provide this support to the new EV Industry.

Later, I will refer to our participation in a couple of associate entities that are engaged into EV Space where steady progress has still to be achieved.

Progress of Salzer in FY23

The Financial year 2022-23 went down well and was an incredible year that enabled your Company to achieve one of its crucial milestones in its 38 years of journey. The Turnover of your Company crossed Rs.1000 crores mark in 2022-23. This significant achievement came out of the hard work, commitment and perseverance shown by entire Salzer Workforce under the dynamic leadership of

Mr. R Doraiswamy, Managing Director and Mr. D Rajesh Kumar, Joint Managing Director and Mr. P Ramachandran, Whole Time Director. The entire Board congratulates their achievement. Now, this achievement is a strong fulcrum for your Company to grow with more agility and resilience.

On this occasion, I would like to highlight the growth velocity of your Company in the last 38 years to understand our rate of progress. We took 25 years to reach a sales turnover Rs.100 Crs (in 2010). We took another 11 years to move from Rs.100 Crs to Rs.600 Crs (in 2021). Just in two years, we reached the level of Rs.1000 Crs in 2023. This historic growth chart clearly visualizes the growth that your Company can achieve in the days ahead.

Financial numbers in FY23

In the Financial year 2022-23, the standalone Net Revenue of your Company was Rs. 1,013 crore as against Rs. 783 crore recorded in the last financial year - a growth of 30%. The growth was driven by a strong demand for almost all products on the strength of improved market conditions both in India and abroad

The standalone Operating Profit stood at Rs. 91 crore in 2022-23 as against Rs. 64 crore in FY22 with a year on year growth of 43%, mainly on account of higher sales in all the product divisions.

The Profit after Tax was at Rs. 36 crore in the year as against Rs. 22 crore in last year, with year on year growth of 62%;

Individual divisions' performance and Contributions

Industrial Switch gear Products

Our Industrial Switch Gear Products have a strong foothold both in the domestic and global markets. Your company has established a niche in the market across the globe over a period of time. Various globally renowned large Multi-national Companies are your Company's customers who draw supplies from us in preferential manner.

Your Company is the only approved supplier of Nuclear Power Corporation and the largest supplier of rotary switches and load break switches to Indian Railways.

This Division witnessed a Compounded Annual Growth Rate (CAGR) of 30% in the last five years, and increased its contribution to the total revenue from 43% in 2018 to 54% in 2023.

In FY23, the Industrial Switch Gear Division recorded a growth of 40% over the Financial year 2022-23 with EBIDTA Margin of 11.70%, up from 9.60% in FY22 on account of better operational efficiency, cost optimization and product mix.

During the year, the growth was mainly driven by products like Toroidal Transformers, Three phase Transformers, Wire Harness, Rotary Switches and Isolators which comprised 65% of this division sales.

Wires and Cables

Your Company manufactures a wide range of Industrial wires & Cables from 0.5 sq mm to 300 sq mm for Industry, Agriculture and Household purposes

Wires and Cables Division saw a compounded annual growth rate of 10% in the last five years and posted a growth of 15% in the financial year 2022-23 and made a contribution to the total business of 38 % in the financial year 2022-23.

Recently rolled out Lan Cable Product has done phenomenally well and posted a growth of 287% in the year on the back of a strong demand. Going forward, this Product is poised to grow well considering the market size and future potentials.

Building Products

This is the only B2C division of the company, predominately servicing the South Indian Market with the Product basket comprising of Modular Switches, Speciality Switches, Movement Sensors, Remote Switches, House Wires, MCB's Distribution Boards, etc.,.

This Division posted a CAGR of 15% in the last five year cycle and registered an impressive sales growth of 44% in 2022-23 with contribution of 8% to the top-line of the Company. The EBITDA Margin of this business division was 2.7% in FY23 against last year's 1.70%.

Energy Management Division

The fourth division is our Street Light Management System and this business is a Tender driven business. During the year, the Company has not received any new orders from the Government.

Export Business

On the exports front, your Company has been given a steady and marked growth on the strength of enhanced sales in America, South American countries like Brazil, Argentina and Chile. During the year, the export business registered a growth of 42% and contributed 26% to the total business volume of the Company. Though the major economies across the world are facing some recessionary situation due to inflation, geo political crises etc., your Company foresees that the present export growth would be stable as our customers are quite optimistic of their business prospects.

The markets across the continents are quite encouraging for your Company's exports business. The recent imposition of anti-dumping duty on Chinese products by the US has opened up a lot of scope and opportunity for Indian players. Your Company has been working vigorously to capture and capitalize on this demand. Your Company identified Russia as a new export market and has already received approval for our products like Contactor, MPCB and Special Wires. The supply of these products is likely to commence in the third quarter of the current fiscal.

The Europe market is well serviced with lot of our products without any quality issue for decades, and business in this region has consistently been growing at 15-20% every year.

To expand our geographical footprint, your Company is also working with electrical industrial giants across the globe for our various Industrial Switchgear products to secure business opportunities particularly in renewal energy ecosystem.

Consolidated Financial performance

On a consolidated basis, your Company reported the highest ever sales turnover

of Rs.1037 Crs in FY23 as against Rs.803 Crores recorded in the Financial year 2022-23 with a growth of 29% as the result of improved business volumes of both the Parent Company and the subsidiary, Kaycee Industries Limited.

Similarly, the consolidated operating profit, Profit before and after Tax were up by 45%, 69% and 64% respectively and Profitability margin both at operating level and PAT level also got enhanced by about 1% in the year.

Performance of Subsidiary Company – Kaycee Industries Limited

Kaycee Industries Limited, acquired in 2019, posted an impressive growth in the financial year 2022-23. Kaycee posted a growth of 42% with Sales turnover of Rs.42 Crs as against Rs.29. Crs reported in 2022-23.

The profit also has grown significantly well by 87% as the result of better operational efficiency and optimization of costs. The notable point is that Kaycee is totally a Debt free Company and operates its business with strong cash generation.

The shareholders of Kaycee at their 80th Annual General meeting held on August 09,2023 declared a Dividend of 60% i.e Rs.60 per Equity Shares of Rs.100 each which is being recognized as one of the highest Dividend payment in the History of Kaycee.

Now, Kaycee is in a niche position to grow well and is expected to post another impressive growth in the current financial 2023-24

Performance of Joint Venture in EV Space

Your Company formed a joint venture company in July 2021, named Salzer Kostad EV Chargers Pvt Ltd, with Austria-based Company Kostad Steuerungsbau GmbH (Kostad).

This is engaged in the business of manufacturing of DC Fast charging stations for electrical Cars, Trucks & Buses, and components and systems thereof, in India. Through this technical alliance, Kostad is providing technical know-how and requisite technology support to Salzer for the production of EV charging stations and related components.

With the support of the technology partner, Kostad, the Company has developed the product and tested it successfully. The product is under approval process from Regulatory Authorities, and efforts are being made to roll out the Product in the market before the end of third quarter.

Fund Raising

Your Board, in order to augment working capital resources and for general corporate purposes, with the approval of the shareholders at an Extra Ordinary General Meeting held on December 07, 2022, allotted 17,00,000 Convertible Share warrants at an issue Price of Rs.278.50/- for an aggregate cash consideration of Rs.47.35 Crs on December 13,2022 to the Bodies Corporate forming part of the Promoters' group with receipt of 25% of the issue price upfront and Balance 75% to be receivable upon conversion of warrants into equity over a period 18 Months of warrants allotment

Post conversion of these share warrants, the Paid-up share capital of your Company will stand increased by Rs. 1.70 Crs to Rs.17.68 Crs and Promoters' holdings in the Company will go up by 6.50% to 38.84%

Key significant developments in the year - Manufacturing Facility in Hosur

Your Company has set up a new manufacturing facility on a 30000 sq.ft rented building strategically located in Hosur, Tamil Nadu to manufacture high demand products like Wire Harnesses and Toroidal Transformers with an Initial investment cost of Rs. 15 Cr. This Unit has commenced its operations successfully in April 2023 and is on path of steady progress.

R&D initiatives

In line with philosophy of innovation, your Company received two patents – for a duration of 20 years – one for integrated cam operated rotary switches, which is a legacy product contributing substantially to our top line, and another for Motor Protection Circuit Breaker (MPCB). These patented products help to protect our intellectual property and boosts our efforts in R&D and product development.

Your Company has recently developed a number of new products for a new segment – HVAC (Heating, Ventilation, and Air Conditioning). This segment comprises products like Definite purpose contactor, AC disconnect Switches and Whips and disconnects. These products are being used in both domestic and Industrial AC systems.

Salzer's R&D wing is constantly engaged in innovating and developing new products aligned with our strategic vision.

Future outlook

For the year now on, it has been projected that the company will grow around 20% with strong product offerings and brand position in the market. Based on the domestic and export outlook, your Company is quite optimistic about achieving this. As a part of its strategy, Your Company will continue to focus on profitable growth combined with capital efficiency to improve our working capital cycle.

Besides the above, our strong commitment towards

Seeking for Technical alliances to develop new and technically advanced products

Finding out suitable players in the market for acquisition

Increase sales of high margin products – existing and new

Constantly develop new products through in-house R&D and

cleaner, greener and healthier environment

Dividend

Your Board of Directors at the meeting held on May 24, 2023 considered the proposal of Dividend for the financial year ended March 31, 2023 and recommended a Dividend at the rate of 22% i.e Rs.2.20 per equity share of Rs.10/- each for the financial year 2022-23 this will involve a cash outgo of Rs.3.67 Crores. The Dividend, if declared by the shareholders at this meeting, will be paid to all

eligible shareholders within stipulated time as prescribed under the Provisions of the Companies Act 2013

Changes in the Board

The present set of independent Directors is set to retire in August 2024 after completion of two consecutive terms of five years each. Your Board has been constantly working towards a position of providing strength to the management in a purposeful manner. It has examined the prospects of providing stable governance to the Company on a long term basis and has been on the lookout for strengthening the Board by getting suitable professionals who could provide the Company strength and commitments.

In this process, the Board, at its last meeting held on August 07,2023 , inducted Shri Sharat Chandra Bhargava and Smt Priya Bhansali as Independent Directors for a term of three years

Smt. Priya Bhansali is a Chartered Accountant, and is the Managing Partner of M/s.Kumbat & Co, an Audit Firm having a wide reputation. She is already on the Board of our subsidiary Kaycee as an Independent Director, and also on the Board of two other listed entities outside Salzer. She is possessing rich experience in the area of Taxation, Finance and Foreign Direct Investment.

Shri Bhargava is a gold medallist from IIT Kharagpur and is a retiree from Country's leading Engineering conglomerate L & T after serving more than 35 years especially in its electrical and automation divisions.

Both are very eminent persons in their respective field and would provide constructive contributions to your Company's Board. Necessary Proposal has been placed before this meeting to seek your approval on their appointment effective from August 07, 2023 for a term of three years.

On the other side, Mr. S Baskarasubramanian, a long standing Board Member and also our Company Secretary, has stepped down from his position on August 07, 2023 in view of his health issues. Mr. Baskar was associated with your Company for more than 30 years and rendered his services with a strong commitment and involvement and played a pivotal role in the growth of your Company. On your

behalf, I would like to express my wholehearted gratitude and appreciation to him, and also wish him good health and long life

As the result of said changes, the Board is now having 12 Directors comprising of three Executive Directors, seven Independent Directors and Two Non executive and Non Independent Directors

Unqualified Audit Report

Both the Statutory Auditor and the Secretarial Auditor issued their audit reports for the financial year 2022-23 without any qualifications or adverse remarks.

Liquidity

The Company has adequate cash and cash equivalents in its Books as at March 31, 2023 to take care of all its current liabilities comfortably.

Risk Mitigation Measures

Your Company has foreseen various factors inherent in its Business both at external and internal level and kept adequate systems in place for redressing the same at any point of time. It has set up a Risk Management Committee that has been consistently evaluating various potential risks hampering the growth of the Company and devising suitable measures to mitigate those risks.

Human Resources

Your company has, as of now, proper human resource and industry relations policies, which get reviewed periodically. The human resource team conducts various training sessions for employee development on an ongoing basis. These development programmes are aimed at augmenting employee potential and form an integral part of the overall business goals. Besides, our employees' profile represents a well balanced mix of experience and youth. We are possibly one of the employers having a large part of our workforce represented by women – who have been found to be as competent as our men employees.

I would like to mention here that our management stood one with our employees during the period of strife caused by the Corona Pandemic and we are glad to state that our workforce has stayed fit and proper throughout this period

Conclusion

I now take this opportunity to really commend the dedication and zeal of all our employees who strived through a difficult period and ensured that as an organization, we surmounted all the challenges and continued to take our Company forward.

I would also like to thank all my colleagues on the Board for their continued support in all our endeavours. I am one of the Directors finishing the term of office in August 2024 and possibly this might be the last AGM addressed by me. It has been a great experience to me to be part of an organisation that stands committed to excellence, accountability and progress. All these have been possible because of the support from you all. I owe you an eternal sense of gratitude.

Finally, I also thank and acknowledge the strong support received from the members, Associates, Banks, all our customers and all other Stakeholders who are main players behind our success.

May God Bless you.

Thank you

Now shareholders before I throw the floor open the participation from your end I would like to request some of our Director to share their views and all these things. May I now request Mr. Doraiswamy say something on that issue, he wants to say?

Doraiswamy: They respected the Chairman and my respected colleagues, Board members, and respected our shareholders, first of all, I thank all shareholders for giving your support to encourage us to run this company successfully and every year by year, we are improving our performance. I also thank the Chairman and the colleagues' on the Board of Directors for guiding us so good that they have been present in every meeting and gave us the direction on how to go, what to

do, what to achieve, what are the reaching point, legislations and everything they are giving us and based on their advice we are proceeding our work and we are doing a very successful job. So the Chairman has explained everything in detail about the Company's performance for the last year, from A to Z everything explained in detail, and I have nothing to say other than this but the only thing I want to add is your Company is very strong in technology and we have a very strong R&D and we developed many new products and the patenting and some of the products we are only manufacturing in India and especially for railways, we have developed many products which are approved by the Railways and we are the only people who have given the material to their specific instruction. And the next point, I want to add is our export potential as the Chairman said is very bright and we export to the USA, UK, Europe, and Australia. We have very good customers. They have audited our Company and they certified that Salzer is on par with or above any other company manufacturing the same product in Europe or in the USA. So we got a very good certificate from them and our exports progress is really good. We have a lot of opportunities for exports. The next point is to match the present situation in the EV charger, electrical vehicle, and charging equipment, as the Chairman said we have a good joint venture partner and we have already started manufacturing and we have a very good scope for buyback our Austrian joint venture partner promised to take a good quantity of charges, fast charging charges, DC chargers from us. I am proud to say on your behalf that we are the only company that exports EV chargers abroad. We are also proud to say on your behalf that we are the only people who export conductors to the USA. We are the only company from India. And apart from that, the Chairman also mentioned our humanity, and we keep our all employees very happy, they are also part of the Company and we have no other, outside interference and we have our own team here who manages the personal affairs and whatever the Company's personnel need. If they need any help they can immediately approach the management and we are ready to help them and they are very happy. So with that, I thank once again the shareholders for giving this support. With this support, definitely, I am sure as Chairman said our progress is going to double the turnover in a short period.

Rajesh: Sir, I would answer the shareholders and give my speech, after the business is over.

Chairman: Rajesh, would you like to share some of your views?

Rajesh: Yes, Sir, I will, but I would do it at the last after answering the shareholder's questions also.

Chairman: Alright. You want to reserve your right to this. Mr. Sankaran is the Chairman of our audit committee and also the NRC. Mr. Sankaran would you like to share some of your views for a couple of minutes?

Shankaran: Thank you, Chairman. I am indeed thankful to all the shareholders who have been behind his Company's growth all these years. I had the privilege of associating myself with this Company when Salzer was reporting a turnaround of Rs 25 crores, which was early phase of the Company. My active association with the Company has really helped me personally and also the Company's viewpoint and today we find that the Company has reported a four-digit figure of Rs 1000 crore plus. That's a great achievement which I consider as a feather in the cap of Salzer. One thing I would like to add is in terms of compliance, whether it is in terms of adherence and standards, the management is always receptive to the requirements of the external governing factors and they have been ethically strong and have always wanted to comply with the rules and regulations. That has really taken them this far and I am sure, we have taken around 35 years to complete the level, but I think in the next 4 years the Company's turnover grows from Rs 1000 to 2000 crore. I think there is a blueprint in action as Mr Doraiswamy was saying, and I am confident that we will achieve on that. The other point that I wanted to say is as the Chairman said, our term as an Independent Director ends in August 2024, i.e., by the time of the next AGM. I think we have completed the two terms and then we will be stepping down from the post of Independent Director and this will be perhaps the AGM, I will also have the occasion to attend. So, I am thankful to all and I wish you great success for the Company. Thank you very much.

Chairman: If any of you like to say anything before, I pass on to the subject of our meeting. Any of you can share your views or observations.

Nirmal: Sir, I have been associated with the Company since the beginning and I have also gained a lot not from the experiences from Mr Doraiswamy, Rajesh, and everyone else. The way in which the Company has gone up to this extent, it is

very commendable, and I am thankful to all the board members and staff of the Company.

Chairman: Thank you, Mr. Nirmal. Anyone else would like to say anything before I go to the main agenda of this meeting? So, these are the issues that are now being placed before you for consideration and voting, as explained, the electronic voting commenced yesterday evening and those who have not voted, can vote for the same. At the end of this meeting, the voting period will be 15 mins. You will have the time to vote.

Now the subjects that are now being placed before you for consideration and voting are:

Ordinary business

1) The adoption of the audited standalone and consolidated financial statement of the Company for the financial year ended 31 March 2023 and the report of the Directors, annexures and Auditor's report thereon.

2) Declaration of the dividend of Rs.2.2 per share at 22% for the financial year 2022-23.

3) Reappointment of a Director in place of Dr. Thilakam Rajesh, who, on retirement, is offering herself for the appointment.

4) Appointment of Vishnu Rangaswamy, who retires by rotation and is offering himself for reappointment.

Now, as a Special business:

1) We have already given notice of the reappointment of Mr. P Ramachandran as a Wholtime Director for a fresh period of five years from 26 September 2023.

2) Appointment of Priya Bhansali and Sharat Chandra Bhargava as Independent Directors from 7 August 2023.

3) And the ratification of the remuneration payable to Mr. Rama Subramanian Raja, appointed as a Cost Auditor for the financial year 23-24.

So, these are the subjects which are now open before you for voting and approval. Now, Mr. Murugesan, the rest of the people who have shown some willingness to share their views with us can now request them to join us.

K M Murugesan: Yes, Sir. Moderator, can you connect the first speaker shareholder, Mr. Kaushik? Moderator, technical team.

Kaushik Sahukar: Good afternoon, everyone. First of all, I wanted to have the opportunity to address you all today. I would like to express my gratitude to the Board of Directors for allowing me a chance to express my views. Thank you, Sir. Thank you so much. First of all, I salute the Board of Directors for out-of-the-box thinking and keeping a meeting on Saturday and continuing with VC mode of meeting, therefore allowing shareholder participation and ease of Saturday also. Sir, I request you to continue the trend. I am a satisfied shareholder of your Company, and I must commend the management for the remarkable efforts in creating wealth for the stakeholders. However, I would like to raise a concern. My primary concerns pertain to the utilization of savings on account of the VC mode of meeting. I believe it would be fair to allocate a portion of these funds for the welfare of the shareholders, particularly to the speaker shareholders who actually participate in the AGM as speakers. Considering their valuable contribution and active involvement in the meeting, it could be a gesture of recognition and appreciation to receive a small memento amongst them on the occasion of festivals. Sir, can you provide a breakup of expenses on account of the physical mode of meeting and on virtual mode of meeting, if possible? I humbly request the board to consider my proposal and explore the possibility of implementing the gesture of recognition and appreciation. By doing so, I firmly believe that it will reinforce the positive rapport between the Company and the Shareholders. It will contribute to the overall welfare of the Corporate family. So, my next concern is how is Salzer Electronics adapting to an emerging market trend and Industry dynamics? Are there opportunities and challenges that the Company is actively addressing? What is the Salzer Electronics strategy for driving growth in its core business segments? Are there any plans for expanding into new markets or diversifying the current offering? My final concern is that the Company has been hesitant to support individuals in need, including myself. I shared my credentials in the past and followed up consistently. The request has still not been considered. So, is there any differently abled person a part of Salzer Electronics,

then why have my credentials been ignored? I humbly request the Company to support me in the form of assisting work, including the filling of form 15 C and B. Your assistance will mean a lot to me. If I can't get help from a reputed Company like Salzer, then whom can I turn to? I will resend my credentials after the AGM to the ID given, in the hopes of receiving gestures and proactive considerations for your diligent help and support. I want to clarify that I am not seeking handouts, free money, nor sympathy. I value my independence, and I am a qualified Chartered Account myself. I hope I can earn honest employment, and you can understand and respect my desire to maintain my independence. Chairman Sir, it is your last AGM. So, I request you to please make an arrangement to engage and meet me at the Company for some work. Thank you for considering my request, and I promise you that with your support, I can make a significant contribution to our operations, and have a positive impact on society. I would like to again confirm and appreciate you for the time and consideration you have given me today. I had initially requested your assistance in introducing me to an esteemed auditor as a fellow professional. I believe that your assistance and guidance will be historical in realizing our mutual goals. Thank you so much, Sir.

K M Murugesan: Thanks, Mr. Kaushik, moderator. We will come back to you. Can you connect? The second speaker shareholder, Mr. Faisal Zubair Hawa.

Faisal Zubair Hawa: Just a set of questions.

K M Murugesan: Can you switch on your camera?

Faisal Zubair Hawa: Thanks very much for your detailed Chairman speech that explained most of my questions. So, I will ask only those questions that still remain to be answered. One important question is that you know we are expanding our equity also. Besides this what is happening is that you know our ROC and ROE are not up to any kind of very good accounting or you know what you could say it's not a very good ROC or ROE we are having. So how will we really, while the chairman did mention that we will raise our sales in the next 2-3 years, can you give me a detailed mathematical answer as to how we will now you are raising our ROCE and ROE to at least 19-20% levels, from which it is worthwhile to really you know run a business. So that's one. The second is how are the KRAs of the MD and the CEO and also the CFO, how are they linked to the salary of these personnel? I want, the exact you know break up as to what these

KRAs are? How much is the for sales, how much is it for new revenue, how much is it for R&D, how much is it for employee satisfaction. The third point is what is your gender ratio, and what kind of steps we are taking to improve our gender neutrality in our Company? Can you talk about smart meters? What kind of opportunity are we tapping? We just heard of a company called Genus Power having a huge tie-up with an international company, and that has led to a total re-rating of the Company's prospectus. So is there something like that also possible and the Annual Report does not mention anything about the history of the company. What was was our relationship with L&T switched gears and how have we evolved over the years? So, if you could just give a brief history of the Company for a new shareholder like myself. Then there are these huge solar and wind power installations that are going on. So is it a pertinent question to ask that you know a lot of our revenues, new revenue could you know come from new solar and wind installations and switch gear for that. And can you also explain how we differ from the retail switch gear companies like Legro or even Anchor, Panasonic, and can we enter those segments also? For the enamelled copper business, you say that you have reached some capacity constraints. So, are you going to plan any expansion for that also? Also, prospects for electric chargers. What do you feel could be the revenue from the electric chargers as a percentage of total revenue for at least 3 to 4 years? Could this business be 40 to 50% of our revenue in 3 to 4 years? And what kind of EBITA margins do you expect from this? Then again, you know, do we plan any kind of retail for it that will yield, you know, better margin? What is the sales distribution between the North-South, East, and West of India and which country do we export majorly to? Are these exports through any kind of sales agents, or do you have direct customers there? Then again, if you could just explain, you know, the Annual Report is bereft of any kind of photographs or flowcharts as to what our products are, and it is really difficult to understand what you are trying to say. So, If you could, have you known more pictures, more photographs next time and also arrange a small shareholders meeting, I would you like to visit the Company's plant and you know have a look at exactly what ever operations are and probably you know discuss with their management if they can give some time on this. So, I would just request these questions to be answered.

Doraiswamy: One question by you is about the Salzers 's products, what we are developing, what we are making? You can go through our website, and you can

clearly see the product that we offer, and all that information you will get from our website.

K M Murugesan: Chairman Sir, should we move to the third speaker shareholder?

Chairman: yes.

K M Murugesan: Moderator, can you connect the third? Speaker shareholder? Ms. Yashvee Kothari.

Yashvee Kothari: Hi Sir, thank you for the opportunity. I have a couple of questions to ask. So my first question is what is the raw material consumption, segment-wise? My second question is what is the EBITA margin for the following products, i.e., relays, circuit breakers, inductors, chokes and contractors? My third question is regarding the order book, what is the order book segment-wise? Also, I would request that you add this to every quarterly presentation, it would be of great help. My fourth question is what is the organized and unorganized segmentation of the industrial segment and if you can name our few direct competitors segment-wise? Yes, that's it from my side.

K M Murugesan: Thanks, madam. Moderator, can you connect the fourth speaker shareholder Rohit Vinodkumar Ohri?

Rohit Vinodkumar Ohri: Thank you for adding me to the call. Chairman Sir, very glad to hear your voice once again after the AGM of Kaycee Industries. Sir, I agree with your point that the meeting should be held in VC format only because travelling all the way from Mumbai to Coimbatore is slightly difficult. So, I agree with your point and sir thank you for that. So, we see a lot of shuffling happening in the team and definitely welcoming the eminent talent addition that is coming in the team, two of them in Salzer, and wishing very good luck and good health to Mr Bhaskar. Great personality, Sir. I am slightly sad to see him depart from the team. Apart from that, I think Sir the hard work of the junior and senior Doraiswamy, M.D. and joint M.D., Sir it is appreciated sir and Rajesh ji especially is a great pillar to the entire team of Salzer. Sir, in addition to Murugesan and Sanjay, Sir they are doing a great job behind the scenes trying to get connected to all the shareholders and the meeting, and there was a glitch that was there in my

connection right now. They helped me solve it. So a great team that you have built and hopefully going forward, these guys continue with the good work that you are doing. Sir, I have some questions, some of which I have already sent and I hope many of them were also addressed by the Chairman, Sir. Just for the benefit of the other shareholders, just a quick pep talk on the theme of the Annual Report. I am asking about the renewable ecosystem as well as the HVAC. I am looking for more clarity in terms of the HVAC market which is related to Russia. Do you see Russia as a boom or a bane? The new product that you spoke about and the catalogue products, and which you will add on. I think there is a very comprehensive which is there on the website. In addition to that, I think if you update that Then we get to know about the new products and you can just put in a tag over there as a new product addition. The opportunities which are currently unexplored in Hosur what is the current status of the operation and what is the available land I understand the property is slightly small and it is on a rental basis. We have a lovely plant there in Coimbatore. How about manufacturing over there in Coimbatore? Utilizing the unused plant, maybe 1 acre or 2 acres. There is ample free land that you have in Coimbatore. You can use that. How about making a a small hub where you would transport to Hosur, but make use of the available resources, the land which we have in Coimbatore? Just some jack-in-the-box kind of clipping that we saw during your under review and this kind of CAPEX that we have seen do we have any more such surprises or are you looking at some surprises? We have some ageing receivables. I understand it is from the local Government. Sir, what are the efforts that you are putting in to get that money back from the Government that can also help a little bit of the working capital management that we have and the strategies that you will be looking at for that end? Sir, last up, there is one IPO that is coming up, well, it is definitely not an apple-to-apple comparison to us, but there are certain segments that they have, like the switches and the wire cable etc. Of course, you can compare it based on SOTT, but do you think that Salzer will get rerated because of this new IPO that will be coming up? Sir, what are your thoughts on that? Do you see that there could be some rerating in our market cap because of a new player coming on the Board? So, thank you for adding me, thanks a lot, wish you good health and good luck. Thank you, Sir. Thanks, a lot.

K M Murugesan: Thanks, Mr. Rohit. Moderator, can you connect the 5th speaker shareholder Mr. Hardik? Okay, let us move to the 6th speaker shareholder Ms.

Swacha Jain, not joined. Then the seventh speaker shareholder Mr. Abhishek. Good afternoon Mr Abhishek.

Abhishek: My name is Abhishek, a shareholder of the Company. My DP ID is IN301637 and my Client ID is 41359155. First of all, I congratulate the management on the eve of the Annual General-body Meeting, so trust all is well with you and your family in this challenging situation. Our Company deserves much more respect than the current market CAP. After completing more than a decade of successful operations, profitability, dividend history and becoming one of the strongest brands in your respective segment. Sir I would like to know what steps are being taken by the management to reduce the other expenses, legal professional charges and audit fees. The Company has given outstanding performance. We can see that the stock prices have been accelerated in the market and provided a good dividend to the minority shareholders in large numbers. The Chairman's speech was really excellent, and we got a very brief description of the Company in the Chairman's speech. We really appreciate your sincere efforts in bringing the Company to this particular extent and rewarding the minority shareholders. The Company follows very good corporate governance standards. The Corporate governance is really excellent, and I have nothing else to ask. The Annual Report is perfect. I would like to ask the auditors for a plant visit for the investor fraternity as and when it is feasible for the management to do so. I thank the Company Secretary and their team for making this Annual General Body Meeting a grand success. I wish the Company and the Board of Directors great success and prosperity in the coming future. Thank you for giving me the opportunity. Hope to see you in the physical AGM next year. Thank You.

K M Murugesan: Thank you, Sir. Moderator any other speaker shareholders left. Thanks. JMD Sir, you can take on the questions, Sir.

Rajesh: Chairman Sir, shall I go ahead, Sir? Okay, thank you very much, respected Chairman, Directors, and esteemed Shareholders of our company. Good afternoon. It is always a privilege it's always a privilege and honor to address all of you, I think your support and commitment have been instrumental in the success of the company. I think as you all said Chairman has already given a very detailed account of what is happening in the Company. I will just take a few minutes to add a few points and share with you the details of what is happening now and what is there in the medium term and for us now. I think as you all know in the

past year our Company has achieved a remarkable milestone, I'm very glad to add that you know the revenues have crossed Rs 1000 Crores. This represents a significant growth of 30% compared to the previous year and equally important is the profitability growth which was close to 60%, which I think the Chairman already mentioned in his speech. As we look ahead, I think the medium-term prospects of our company appear incredibly promising. We have laid a very strong foundation for sustainable growth with a focus on innovation, customer satisfaction, and operational excellence. Our continuous investments in R&D have led to the creation of innovative products and services which will actually continue to fuel the growth going forward. For example, I can say that you know the few products that we have developed in the last 2 years have already started seeing revenues. I think the Chairman also mentioned the HVAC sector and the products that we have developed or going into the sector both globally as well as in India. Similarly, if you go back a few years, I think the new products that we developed, the 3-phase transformers and the wire harness are also seeing excellent growth both in India as well as globally. Overall, I think our Director Mr. V. Sankaran also mentioned we are expecting to double our revenues from FY'23 in the next 4 years. So that's the aim that we have, and we have a plan to do that in the next 4 years. However, it is also very important to acknowledge that the business landscape is not without challenges. In the short term, we may face some advances due to the evolving ever-evolving global situation. These uncertainties can range from economic fluctuations across countries. Geopolitical tensions we see, I mean even unforeseen global events that can happen. I want to reassure the shareholders that we are as a Company very well prepared to navigate through such challenges if at all they are they come against us. As we already demonstrated in the past, we can be a very sustainable Company even in times of adverse economic situations. If you look at the past, the Company has given a sales CAGR of close to 16% over the last 10 years and also a PAT CAGR of 18% over 10 years. So, we are very confident that the future can be much better and brighter. Today, as we know, everyone is also concerned about ESG. However, at SALZER I think ESG has always been a very important aspect of our operations our commitment to sustainability and CSR remains unwavering, as you see we have also started reporting the carbon emission details from last year. Our commitment is to become a net zero-emission level company by 2027. At least under scope 1 and scope 2 of the carbon emissions. We are also continuing to explore ways to promote diversity and inclusion within our organization. I think one of the shareholder's questions was also about the gender ratio. We are very

proud to declare that in our overall strength, 40% or a little above 40% is women employees and on CSR also, we are contributing positively to the communities where we are operating. So, in conclusion, say that our Company's achievements in the past years or a testament in proof to the hard work, dedication and resilience of the entire Salzer team here in the factory. We are very well positioned for a very bright future we have a solid foundation that will support our growth in the years to come. As shareholders, I think your trust and support are invaluable to us, and we are committed to delivering long-term value and returns on your investment. I also place on record my sincere appreciation and thanks to the entire Board for their wonderful guidance. So, thank you all for your continued trust and support and I would also at the same time answer some of the questions that the shareholders raised. Mr. Faisal raised about the ROCE and ROE. I agree with you Sir I think we need to improve on the ROCE. I think internally we have a target to reach 18% as early as possible. I think what we need to do for that, as you asked is, that we have to look at our working capital cycle. I think that is one of the negatives that the Company has. We are focusing very much on that and what is in our control. I think the inventory is in our control, where we see to reduce the inventory number of days by at least 30 days for the next 6 to 8 quarters, which I think will bring down the working capital cycle from close to around 140 days today to around 110 or a little below that and we are also working on reducing the data cycle as much as possible from the current 90 days data cycle. Also, I think with this and a little bit of improvement in the EBITDA margin I think we are definitely there at 18% ROCE, for sure. And I think somebody raised the question on the renewable business. Yes, I think renewable is something that is a new way of generating power. I think is picking up quite heavily in the country as well as globally. A lot of our products are being used in renewables. So, we see at least Rs 100 Crores of revenues coming to us from renewables as of today. At least 10% of our revenue sales which can probably double or triple over the next 2-3 years. So renewable is a promising sector for Salzer. And on the EV chargers, there was a question. What is the status? I think the Chairman explained in the speech. We are almost ready with the product, it is on the testing. Hopefully, by the end of September or the middle of October, the product should be tested, and we should have the test certificate ready. So, that we can participate in the tenders that are coming out in the country. At the same time, we are also exploring the possibility of exporting this back to our collaborator. As we all know the EV sector is still evolving and how the business model is going to come and where the revenues are going to come by selling this

charger, if something that is still evolving. We can't be very sure of how the revenue model is going to be but one thing is very clear, definitely, India is going to adopt EVs- EV vehicles in the car sector in the passenger vehicle centre and also the commercial transportation. So there is going to be a huge demand for the highway chargers. So that is where we are placed, and that is why we are pitching in. We see that in the next 4-5 years at least 40% of our revenues after 4 years should be from the EV chargers. That's something that we are working on, and we are planning on. About the exports to which country, how we are doing. I think it is there in the investor presentation that we publish every quarter. So you can look at that, and you can see what exports we do, to which continent and how much. And we will definitely take the input on the Annual Report presentation about the pictures and other things and explain more about the new products. We will definitely consider that and will take care of that. Ms. Yashvee's questions on raw materials consumption, segment-wise, on the switch gear segment the RM consumption is between 70%-72%, and on the wires and cables it's between 87%-88.5%, depending on the product mix within the segment. So, that's the RM consumption. You asked a question about the EBITA product-wise which will be a little difficult for us to publish as of today. However, EBITA percentage business segment-wise is being published in the investor presentation quarterly. So that you can see that. On the order book, we actually don't operate on a large order book, unlike the EPC companies, because we are an electrical component manufacturer and we target to deliver all the orders within 4 weeks. So that's the max that we carry an order as such. But we do have forecasts from most of our OEMs for the full year and only based on that we do our planning, and we also do our projections. So there is no real order book. We don't operate on an order book like in EPC company. On organized and unorganized sectors, it will be very difficult to give a percentage, but based on the experience, we can that 60-65% of the business is organized as of now on the products that we operate. Around 30% should still be unorganized. Unorganized I would say small companies or MSME companies. So, I hope I covered almost all the questions. Abhishek, I think you asked about the other expenses. Yes, we are continuously working to see what we can do and reduce the other expenses or at least maintain the other expenses percentage to sales, even if the inflation is close to around 7% higher on year. However, there is a dedicated value engineering team that constantly works on improving the process, improving the product by adding value and reducing the cost of the product. So, there is a dedicated team across factories who constantly work to see how we can keep our costs under control.

We will definitely ensure that we will do our plant visit for the shareholders as soon as possible. Coming to Rohit's question, hi Rohit, I think we have met once you've been to the plant here. So, you know all the plants are here. I think you asked about the HVAC. Yes, HVAC is a new product that we have done because of our R&D efforts and the range of products that we have developed specifically for this segment, it comprises various electrical components that go into the HVAC system which are used globally as well as in India. As of now I think giving a revenue projection on this is too early because it just started exporting and selling this product this year hopefully in another 1 or 2 quarters, we'll have a good projection on this product. Talking about Russia, I think we as you know are already exporting close to 27% of our revenues to various countries to both OEMS as well as distributors. Our export OEMS consist of companies like Schneider, GE, ABB, and Eton. These are some of the large companies that we export to, and we have distributors across 40 countries that buy our components our switch gear components and resell them in their countries. So Russia is just another country that we are trying to add to our existing export market, and we really don't know how and what potential Russia has because it is completely new territory for us and we are just entering there, and we have to wait and see how the business will grow, but we see immense opportunities in the country because of the geopolitical tensions that are there today, but at the same time there are also risks around it. So, we are going a bit careful on that, and maybe in a quarter down the line, we will know how this is evolving. I think you also sent some questions about defence companies and the defence segment, I think we are still exploring products that can go into defence directly, although we already sell a lot of our existing products indirectly to the defence through other contractors but directly selling into defence or defence companies, we're still exploring. Right now we don't have a product. I think I have already answered about the working capital cycle and about the Hosur plant we got a question on the capacity utilization. Hosur plant, we just wanted to expand the capacity on the product: wire harness and transformers where the demand is quite high and instead of expanding it in Coimbatore, we thought it is better that we go a little closer to the customer because we also think that the wire harness, currently we are only doing industrial wire harnessing but we also plan to explore to sell the wire harness to the automobile segment so to do that these auto companies always expect you to be closer to their plant. So, that's one of the reasons that we chose Hosur where is becoming a hub for EV two-wheelers, so we thought that could be helpful for us. As of now, the capacity utilization is around 30% because we are

just 6 months down the line of starting the production, but I see a lot of potential in the Hosur plant for wire harnesses as well as transformers, going forward. You also had a question on the Capex.

As I already stated yes, we don't have a major Capex plan, but then the major as a word, you need to put a figure to that. We normally do a Capex of Rs 10-12 crores in one year. It can go up to 15 crores sometimes, or it can be 10 crores or below in some years. This is basically for the maintenance and also for dynamic capacity expansions in our switchgear industry. So we keep doing this every year. So, I think this will continue going forward in the next 2-3 years so that will not be our expansion for the next 4 years. But what I meant that there are no major Capex plans is, that there is no major greenfield investment for any new projects. That's what I meant when I met and mentioned that to you. And on the receivables and ageing receivables from the Government, as these are outstanding from the corporations where we did the prestigious street lighting project for 4 corporations in Tamilnadu, I think all these outstanding are good, and they are in the process of being received. I am sure that in the next year, all these receivables will be recovered. So having said that I think once again would like to thank all shareholders for your interest and for your support all through. Thank you very much.

Chairman: Thank you Rajesh for this one.

Rajesh: Sir I forgot to answer one question I think Mr. Faisal asked about the KPI for the CFO and the Managing Director. I think the Board should really look into it. I would say that as of now there is no KPI fixed for me, but I think the only KPI for the management is to ensure that we continuously create wealth and also ensure that the Company is continuously sustainable over a long period of time. I think that's the long-term vision and goal for us. But as you said maybe if you have to fix a KPA, I mean it's a good idea that we will definitely explore and look into that.

Chairman: Like L&T?

Rajesh: Yes, Sir L&T, I think this information is there on our internet and the past presentations. Our association with L&T goes a long way done the line. I think we have been associated for close to 30 years now as partners since '93 when we joined together to market our products, cam-operated rotary switches in India. So L&T started doing that, actually, that was a flip, and I would say a big boost for

Salzer's growth from then on, and we have been constantly working with them. I think the partnership went to an extent in the year 2006 when L&T actually invested in Salzer Electronics by putting in money and becoming shareholders of Salzer Electronics and we also had a joint venture company where we produced wires and cables exclusively for L&T which we still continue to do, though it's a part of the main company now. I think the Directors from L&T who have been part of our Board for close to 10 years, from 2006-2016 when L&T because of their diversification and disinvestment policy, disinvested the equity but we still continue to work very closely on the marketing. The association has given us a lot of strength, and a lot of learnings as a company for Salzer and as you see now, I think we want to continue the alliance and that's why we have Mr Sharat Chandra Bhargava, who has been the head of electrical division when he retired from L&T as part of our Board now, so we look forward to work with the man and have his experience also help Salzer grow in the future. So, maybe in the next Annual Report, we will try and add as much as information as possible as you all have suggested. Thank you.

Chairman: Thank you, Mr. Rajesh. Now ladies and gentlemen we have come to the end of this meeting. You have heard presentations may you have been very kind to us. you have made their observations and some of these remarks you had made have been replied to by Mr. Rajesh. I see it has been indicated that shareholders want to visit the factories and all, and we will provide them that opportunity. I think the best opportunity will be when we hold the next AGM, perhaps we will have a physical AGM, and we will have a new Chairman perhaps and Board which is essentially different from what it is today so, have a new opportunity to meet this one and then also visit the factories. That's our endeavor to keep our shareholders posted with the lasted developments the Company goes through.

Now ladies and gentlemen you have been a great source of help to Salzer. You have sustained us all these 38 years, and we hope that you will continue to shower your benedictions on us in the future also. We have come to the conclusion of this meeting. The only thing that now remains for me to say is the voting process was finished yesterday by e-voting will continue 15 minutes after this meeting is over and the results of the e-vote will be declared by the Scrutinizer and will be available on the Company's website within the next 48 hours. So, with that, let me say thank you to all of you who have shown great



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interest in this endeavor which we have undertaken and hope that when you meet the Board of Directors next time, you will have more and more pleasant news to hear from them about growth, about the declaration of dividend etc. And so, thanks a lot ladies and gentlemen for your participation. Let me now declare this meeting as closed. Thank you.