



LOYAL Equipments limited.

(Formerly known as Loyal Equipments Private Limited)

Registered Office & Works : Block no. 35/1-2-3-4, Village: Zak,
Ta.: Dahegam. Tel.: +91 2718 247236, +91 2716 269033
E-mail : Info@loyalequipments.com, www.loyalequipments.com
CIN NO. L29190GJ2007PLC050607



Date: July 09, 2019

To,

**The Compliance Department,
B.S.E. Limited,
P. J. Towers, Dalal Street,
Fort, Mumbai – 400 001
Maharashtra, India.**

(Ref.: Loyal Equipments Ltd., Scrip Code: 539227)

Sub: Intimation of Annual General Meeting of the Members of the Company and outcome of Board Meeting as per Regulation 30 of SEBI (LODR), 2015

Dear Sir/Ma'am,

This is to inform you that Twelfth Annual General Meeting of the Members of Loyal Equipments Limited will be held on Saturday, August 10, 2019 at 11.00 AM at Block No. 35/1-2-3-4 Village – Zak, Dahegam, Gandhinagar - 382330 Gujarat, India. The Notice containing the businesses to be transact in Meeting of Members is attached herewith.

Pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have provided the facility to vote by electronic means (e-voting) on all resolutions as set out in the notice of AGM to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Saturday, August 03, 2019. The Remote e-voting will commence at 9:00 A.M. on Wednesday, August 07, 2019 and ends at 5:00 P.M. on Friday, August 09, 2019.

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that a meeting of Board of Directors of the company held today on Tuesday, July 09, 2019 and passed the following resolutions:

1. Fixes the date for Annual General Meeting to be held on August 10, 2019 at registered office of the Company and adopt notice for Annual General Meeting.
2. Appointment of Director in place of Mrs. Jyotsanaben Rameshchandra Patel (DIN-01307770) who retires by rotation and, being eligible, offers herself for re-appointment.
3. Appointment of M/s. A Y & Company, Chartered Accountants, Jaipur as Statutory Auditor of the Company in place of M/s J. M. Patel & Bros., Chartered Accountants, Ahmedabad (Firm Registration No. 107707W), (Statutory Auditor of the Company retiring at the conclusion of this 12th Annual General Meeting) for a period of five years i.e. from the conclusion of this 12th Annual General Meeting till the conclusion of 17th Annual General Meeting of the Company.





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AUTHORISED COMPANY



4. Consideration for Revision of Remuneration of Mr. Rameshchandra Nathalal Patel (Chairman and Whole-time Director), Mr. Alkesh Rameshchandra Patel (Managing Director) and Mrs. Jyotsanaben Rameshchandra Patel (Whole-time Director) by Board of Director.

You are requested to kindly take the same on record and inform all those concerned accordingly.

Thanking you,

Yours faithfully,

For Loyal Equipments Limited

Alkesh Rameshchandra Patel
Managing Director
DIN-02672297



Place – Dahegam

Enclosure – As above

NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of Loyal Equipments Limited will be held on Saturday, August 10, 2019 at 11.00 A.M. at the registered office situated at Block No. 35/1-2-3-4 Village – Zak, Dahegam, Gandhinagar - 382330 Gujarat, India to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt

- a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Auditors thereon; and

2. To appoint a Director in place of Mrs. Jyotsanaben Rameshchandra Patel (DIN-01307770) who retires by rotation and, being eligible, offers herself for re-appointment.

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Jyotsanaben Rameshchandra Patel (DIN-01307770) who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint the Statutory Auditor of the Company and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), M/s A Y and Company, Chartered Accountants, Jaipur (Registration no. 020829C), be and are hereby appointed as the Statutory Auditor of the Company in place of M/s J. M. Patel & Bros., Chartered Accountants, Ahmedabad (Firm Registration No. 107707W), (Statutory Auditor of the Company retiring at the conclusion of this 12th Annual General Meeting) for a period of five years i.e. from the conclusion of this 12th Annual General Meeting till the conclusion of 17th Annual General Meeting of the Company and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee.”

SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed, the approval of the Company be and is hereby accorded to revise the maximum basic salary payable to Mr. Rameshchandra Nathalal Patel Chairperson & Whole-time Director (DIN – 01307699) of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2019 for the remaining period of his tenure.

FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution the Board of Directors and/or the Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard.”

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

“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed, the approval of the Company be and is hereby accorded to revise the maximum basic salary payable to Mr. Alkesh Rameshchandra Patel, Managing Director (DIN – 02672297) of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2019 for the remaining period of his tenure.

FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution the Board of Directors and/or the Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard.”

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

“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed, the approval of the Company be and is hereby accorded to revise the maximum basic salary payable to Mr. Jyotsanaben Rameshchandra Patel, Whole-time Director (DIN – 1307770) of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2019 for the remaining period of his tenure.

FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution the Board of Directors and/or the Remuneration Committee/the Company Secretary is/are authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard.”

**By order of the Board of Directors
For Loyal Equipments Limited**

Sd/-

**Akanksha Aswani
Company Secretary**

Place – Gandhinagar, Gujarat

Date – July 09, 2019

NOTES:

1. A Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), in respect of the special business to be transacted at the Annual General Meeting (AGM) is annexed hereto.

2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
4. Brief Resume of the Director(s) seeking re-appointment, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015} and Secretarial Standard on General Meeting (SS-2) as amended issued by the Institute of Company Secretaries of India (ICSI) is annexed hereto and forms part of Notice.
5. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, August 04, 2019 to Saturday, August 10, 2019 (both days will be inclusive).
7. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. They are also requested to bring their copy of the Annual report to the Annual General Meeting.
8. The route map and prominent landmark of the venue of the Annual General Meeting as required under Secretarial Standards on the General Meeting is annexed herewith as with this Report.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Sharex Dynamic India private Limited ("the RTA") to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the RTA.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Sharex Dynamic India Private Limited (RTA).
10. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.

11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
13. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
14. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
15. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
17. The Notice of the AGM along with the Annual Report 2018-19 along with the Attendance Slip and Proxy Form is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.loyalequipments.com.
18. **To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs. The registered e-mail address will be used for sending future communications.**
19. Members are requested to: -
 - (a) note that copies of annual Report will not be distributed at the AGM and they will have to bring their copies of annual Report;
 - (b) bring the Attendance Slip at the venue duly filled-in and signed for attending the meeting, as entry to the AGM Place will be strictly on the basis of the Entry Slip available at the counters at the meeting venue in exchange of the attendance Slip;
 - (c) quote their Folio / Client ID & DP ID Nos. in all correspondence with the Company / R&TA;
 - (d) note that no gifts / coupons will be distributed at the AGM.

VOTING THROUGH ELECTRONIC MEANS:

20. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by ICSI, the Company is offering e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. The e-voting

services provided by CDSL on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

21. The facility for voting, either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
22. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
23. **The instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on Wednesday, August 07, 2019 from 9.00 A.M and ends on Friday, August 09, 2019 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on Saturday, August 03, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.
 - A. Members whose e-mail address are registered with the Company / Depository Participants will receive an email from CDSL Informing your ID and password:
 1. Open e-mail and open PDF file viz., “remote e- voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 2. Launch internet browser by typing the following: URL: <https://www.evotingindia.com>
 3. Click on Shareholders/Member- Login
 4. If you are already registered with CDSL for e-voting, then you can use your existing user ID and password for casting your vote.
 5. If you are logging in for the first time, please enter the User ID and password provided in the pdf file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 6. Now Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company.
 7. Next enter the Image Verification as displayed and Click on Login.
 8. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 9. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 6.

10. After entering these details appropriately, click on “SUBMIT” tab.
11. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
12. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
13. Click on the EVSN for Loyal Equipments Limited for voting.
14. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
15. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
16. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
17. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
18. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
19. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

20. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
21. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
22. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com , under help section or write an email to helpdesk.evoting@cdslindia.com
23. Any person who acquired shares of the company and becomes shareholders of the company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. Saturday, August 03, 2019, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com of Issuer/RTA.
24. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off dated Saturday, August 03, 2019.
25. The board of directors has appointed Mr. Arpit Gupta (Membership No. - 421544), Practicing Chartered Accountants, Partner of M/s A Y & Company (Formerly Known as M/s Arpit R Gupta & Company) (404, Forth Floor, ARG Corporate Park, Ajmer Road, Gopalbari Jaipur-302006, Rajasthan, India) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
26. The Scrutinizer shall after the conclusion of voting at the general meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e- voting in the presence of at least two witnesses not in the employment of the company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
27. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.loyalpequipments.com and on the

website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchange.

28. The Company is not providing Video Conferencing facility for this meeting.

29. The entire Annual Report is also available on the Company's website www.loyalequipments.com.

**By order of the Board of Directors
For Loyal Equipments Limited**

Sd/-

**Akanksha Aswani
Company Secretary**

**Place – Dahegam, Gandhinagar
Date – July 09, 2019**

BRIEF RESUME OF THE DIRECTOR(S) SEEKING RE-APPOINTMENT AT THE 12TH ANNUAL GENERAL MEETING TO BE HELD AT AUGUST 10, 2019.

Particulars	Mrs. Jyotsanaben Rameshchandra Patel
Date of Birth	18/10/1948
Date of Appointment	13/06/2015
Qualifications	9 th Class
Expertise in specific functional areas	Mrs. Jyotsanaben Rameshchandra Patel is the Whole Time Director of our Company. She is one of the founder promoters of our Company. She is having sound and rich experience of our Industry and she looks after overall administration and co-ordination of the Company.
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	None
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	None
Number of shares held in the Company	33,00,000
Relationships with other Directors, Manager and other Key Managerial personnel	The appointee and Managing Director related to each other as Mother and Son and appointee with other Whole Time Director as wife and husband.
Details of remuneration paid / sought to be paid	Rs. 6,00,000 per annum
Number of meetings of the Board attend during the year	The number of meetings of the Board attended during the year are mentioned in the Corporate Governance Report forming part of Annual Report of the Company for the financial year 2018-19.
DIN	01307770

**EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)**

ITEM NO. 3

Though not statutorily required, the following is being provided as an additional information to the Members as required by amended SEBI (LODR) Regulations.

M/s. J.M. Patel & Brothers, Chartered Accountants, Statutory Auditors of the Company were appointed for five years in the 07th Annual General Meeting (AGM). In terms of their appointment made at the 07th AGM, they are holding office of the Statutory Auditors up to the conclusion of 12th AGM of the Company and whose term of re apportionment has expired by virtue of Section 139(2) of the Companies Act, 2013, at the conclusion of this 12th AGM.

On the recommendation of Audit Committee, the Board has also recommended the appointment of M/s. A Y & Company, Chartered Accountants (Firm Registration No. 020829C) as Statutory Auditors in place of M/s. J.M. Patel & Brothers, Chartered Accountants (Firm Registration No. 107707W), the retiring Statutory Auditor, to hold office from the conclusion of this Annual General Meeting till the Conclusion of 17th Annual General Meeting at a remuneration of Rs. 4,50,000/- plus outlays, taxes and other applicable expenses in connection with Statutory Audit and/or continuous audit. The power may be granted to the Board/Audit Committee to alter and vary the terms and conditions of appointment, revision including upward revision of the remuneration for remaining tenure during the proposed tenure of five years.

M/s. A Y & Company specializes in providing high-end services in Tax, Regulatory and Audit Assurance domain. Built on a foundation of quality, an ability to think out-of-the-box and a business –focused and result oriented approach.

The remuneration payable to M/s. A Y & Company is based on the fee proposal received at the time of selection of the Statutory Auditors by the Audit Committee and is higher as compared to the remuneration of retiring Auditors M/s. J.M. Patel & Brothers due to professional expertise and skills of new auditor.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in item No.3 of the Notice for appointment of M/s. A Y & Company, Chartered Accountants as Statutory Auditors of the Company in place of M/s. J.M. Patel & Brothers, Chartered Accountants, the retiring Statutory Auditor, to hold office for a period of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the Conclusion of 17th Annual General Meeting of your Company.

M/s. A Y & Company, Chartered Accountants, have given their consent for the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the Notice.

The Board recommends the Ordinary resolution set out in Item No. 3 of the Notice for approval of the members.

ITEM NO. 4

Our Chairman & Whole time Director Mr. Rameshchandra Nathalal Patel (DIN – 1307699) was appointed in Extra Ordinary Meeting held on June 13, 2015 for the period of five years. The Approval of the shareholders be and is hereby accorded to revise the maximum basic salary pursuant to provisions of Sections 196, 197, 198, 203 and Section II of

Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed.

Remuneration: In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following: -

- a. The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- b. There is no default in repayment of any of its debts or interest payable thereon.
- c. A special resolution has been passed at a general meeting of the Company.

The Company has no inadequate profits in the previous year 2018-19. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 12th September 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by increasing the limits of yearly remuneration basis effective capital as under:

- The companies having effective capital of above 5 crores but less than 100 crores can pay remuneration up-to ₹ 84 Lakhs per annum.
- This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum monthly basic salary from ₹ 2,50,000/- (Rupees Two Lakh fifty thousand) to ₹ 5,00,000/- (Rupees five Lakhs) to Mr. Rameshchandra Nathalal Patel (DIN – 1307699) of the Company with effect from April 01, 2019 for the remaining period of his tenure ending on June 12, 2020, in terms of Companies Act, 2013.

Particulars of details of Mr. Rameshchandra Nathalal Patel, Chairman & Whole time Director, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard - 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in Annexure to the Notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on August 09, 2019 approved the remuneration as stated in Item No. 4 of the Notice. Further, the Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Mr. Rameshchandra Nathalal Patel, Mr. Alkesh Rameshchandra Patel and Mrs. Jyotsanaben Rameshchandra Patel and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

ITEM No. 5

Our Managing Director Mr. Alkesh Rameshchandra Patel (DIN – 02672297) was appointed in Extra Ordinary Meeting held on June 13, 2015 for the period of five years. The Approval of the shareholders be and is hereby accorded to revise the maximum basic salary pursuant to provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed.

Remuneration: In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following: -

- a. The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- b. There is no default in repayment of any of its debts or interest payable thereon.
- c. A special resolution has been passed at a general meeting of the Company.

The Company has no inadequate profits in the previous year 2018-19. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 12th September 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by increasing the limits of yearly remuneration basis effective capital as under:

- The companies having effective capital of above 5 crores but less than 100 crores can pay remuneration up-to ₹ 84 Lakhs per annum.
- This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum monthly basic salary from ₹ 3,50,000/- (Rupees three Lakh fifty thousand) to ₹ 8,00,000/- (Rupees Eight Lakhs) to Mr. Alkesh Rameshchandra Patel (DIN – 02672297) of the Company with effect from April 01, 2019 for the remaining period of his tenure ending on June 12, 2020, in terms of Companies Act, 2013.

Particulars of details of Mr. Alkesh Rameshchandra Patel, Managing Director, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard - 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in Annexure to the Notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on August 09, 2019 approved the remuneration as stated in Item No. 5 of the Notice. Further, the Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Mr. Rameshchandra Nathalal Patel, Mr. Alkesh Rameshchandra Patel and Mrs. Jyotsanaben Rameshchandra Patel and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

ITEM No. 6

Our Whole-time Director Mr. Jyotsanaben Rameshchandra Patel (DIN – 01307770) was appointed in Extra Ordinary Meeting held on June 13, 2015 for the period of five years. The Approval of the shareholders be and is hereby accorded to revise the maximum basic salary pursuant to provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed.

Remuneration: In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following: -

- a. The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- b. There is no default in repayment of any of its debts or interest payable thereon.
- c. A special resolution has been passed at a general meeting of the Company.

The Company has no inadequate profits in the previous year 2018-19. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 12th September 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by increasing the limits of yearly remuneration basis effective capital as under:

- The companies having effective capital of above 5 crores but less than 100 crores can pay remuneration up-to ₹ 84 Lakhs per annum.
- This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum monthly basic salary from Rs. 50,000/- (Rupees fifty thousand) to Rs. 1,00,000/- (Rupees One Lakhs) to Mr. Alkesh Rameshchandra Patel (DIN – 02672297) of the Company with effect from April 01, 2019 for the remaining period of his tenure ending on June 12, 2020, in terms of Companies Act, 2013.

Particulars of details of Mr. Jyotsanaben Rameshchandra Patel, Whole-time Director, pursuant to the information as required under Schedule V of the Companies Act, 2013 including Secretarial Standard - 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in Annexure to the Notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on August 09, 2019 approved the remuneration as stated in Item No. 5 of the Notice. Further, the Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Mr. Rameshchandra Nathalal Patel, Mr. Alkesh Rameshchandra Patel and Mrs. Jyotsanaben Rameshchandra Patel and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

ANNEXURE TO THE NOTICE
STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 [INCLUDING SECRETARIAL STANDARD – 2 AND SEBI (LODR) REGULATIONS, 2015, AS APPLICABLE] IN RESPECTS OF ITEM NO. 4 TO 6 OF THE NOTICE
I. General Information:

(1) Nature of industry:-

Manufacturers of Industrial Equipments

(2) Date or expected date of commencement of commercial production

The Company started its commercial production in the year 2007

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - NA

(4) Financial performance based on given indicators

The brief statement indicating our profit related figures is given below:

(Amt in '000)

Particulars	2017-18	2018-19
Paid up Capital	102000.00	102000.00
Reserve and Surplus	32308.81	77455.04
Total Income	217050.26	418937.26
Less: Expenditure and depreciation	188174.9	356446.34
Profit Before Tax (PBT)	28875.36	62490.92
Less: Current Tax	7835.12	17344.69
Profit After Tax(PAT)	21040.24	45146.23

(5) Foreign investments or collaborations, if any:-

Loyal Equipments Limited has invested in wholly owned Subsidiary i.e. Loyal Equipments Inc incorporated in Texas, USA.

II. Information about the appointee:
a) Mr. Rameshchandra Nathalal Patel
1. Background Detail

Mr. Rameshchandra Nathalal Patel is the Chairman & Whole Time Director of our Company. He has been on the Board since incorporation. He has more than 44 years of experience in the equipments manufacturing sector. He has experience of working in equipments manufacturing Company i.e. Ingersoll Rand India Limited for a period of 20 years at an initial stage. Under his dynamic leadership and vast experience, he is able to deliver constant value to our Company's projects and expansion strategy.

2. Past Remuneration

Mr. Rameshchandra Nathalal Patel was paid Rs. 32.50 Lakhs as annual remuneration for the financial year 2018-19.

3. Recognition or awards

NIL

4. Job profile and his suitability

Mr. Rameshchandra Nathalal Patel has overall experience of 44 Years in the business activities such as manufacturing of equipment for petro-chemicals and chemical plants, power plants, fertilizers and gas processing plants, petroleum refineries and compressor industries, pharmaceutical plants, dairy plants. Being an early starter he has worked on almost all levels of the organization which helps him understand and handle major functions of our Company. His varied experience and varied helps us work united towards the same goals of the vision set by the management. Under his guidance our Company witnessed continued growth.

5. Remuneration proposed

The terms of remuneration proposed are detailed in the Item No 4 of the Notice.

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

For the responsibility shouldered by Mr. Rameshchandra Nathalal Patel, Director of the Company in driving the Company's growth and Operational efficiency, the remuneration paid to him is commensurate and compares favorably with the compensations paid to the Directors of like sized and similarly positioned businesses.

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

Mr. Rameshchandra Nathalal Patel holds Equity shares of the Company. He is also the Husband of Mrs. Jyotsanaben Rameshchandra Patel and Father of Alkesh Rameshchandra Patel.

b) Mr. Alkesh Rameshchandra Patel

1. Background Detail

Mr. Alkesh Rameshchandra Patel is the Managing Director of our Company. He has been on the Board since incorporation. He has more than 26 years of experience in the equipments manufacturing sector.

2. Past Remuneration

Mr. Alkesh Rameshchandra Patel was paid Rs. 38.50 Lakhs as annual remuneration for the financial year 2018-19.

3. Recognition or awards

NIL

4. Job profile and his suitability

Mr. Alkesh Rameshchandra Patel started his initial stage in field of technician and got certificate for completing the course in Maintenance Technician from Technical Examination Board, Gujarat. Having active involvement in activities of the Company including manufacturing, designing, and development of customize product and marketing of all equipments manufactured. His dynamism helps us cope with the work pressures efficiently and effectively and in execution of all operations specifically related to production and business activities of our Company.

5. Remuneration proposed

The terms of remuneration proposed are detailed in the Item No 5 of the Notice.

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

For the responsibility shouldered by Mr. Alkesh Rameshchandra Patel, Managing Director of the Company in driving the Company's growth plans, the remuneration paid to him is commensurate and compares favourably with the compensations paid to the business heads of like sized and similarly positioned businesses.

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

Mr. Alkesh Rameshchandra Patel holds Equity shares of the Company. He is also the Son of Mr. Rameshchandra Nathalal Patel and Mrs. Jyotsanaben Rameshchandra Patel.

c) Mrs. Jyotsanaben Rameshchandra Patel

1. Background Detail

Mrs. Jyotsanaben Rameshchandra Patel is the Whole Time Director of our Company. She is one of the founder promoters of our Company. She is having sound and rich experience of our Industry and she looks after overall administration and co-ordination of the Company.

2. Past Remuneration

Mr. Jyotsanaben Rameshchandra Patel was paid NIL as annual remuneration for the financial year 2018-19.

3. Recognition or awards

NIL

4. Job profile and his suitability

Mrs. Jyotsanaben Rameshchandra Patel is Director of our company. She is one of the founder promoters of our company. She is having sound and rich experience of our Industry and she looks after overall administration and co-ordination of the Company.

5. Remuneration proposed

The terms of remuneration proposed are detailed in the Item No 6 of the Notice.

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

For the responsibility shouldered by Mrs. Jyotsana Rameshchandra Patel, Director of the Company in driving the Company's growth and Operational efficiency, the remuneration paid to her is commensurate and compares favourably with the compensations paid to the Directors of like sized and similarly positioned businesses.

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

Mrs. Jyotsanaben Rameshchandra Patel holds Equity shares of the Company. She is Wife of Mr. Rameshchandra Nathalal Patel and Mother of Mr. Alkesh Rameshchandra Patel

III. Other information:

(1) Reasons of loss or inadequate profits

Due to change in technology or other governmental regulations or increasing cost of raw material we may have inadequate profits to meet the proposed remuneration out of profit, sometimes.

(2) Steps taken or proposed to be taken for improvement

We are in process of increasing our capacity to bring economies of scale to our business and will certainly boost our profitability.

(3) Expected increase in productivity and profits in measurable terms.

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

IV. Disclosures:

The information, as required, is provided under Corporate Governance Section of the Annual Report 2018-19. The remuneration package proposed to be given to each managerial personnel is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.