

AARTECH SOLONICS LIMITED

An ISO 9001 : 2008 Certified Company



Date: 06/09/2021

**To,
The Listing Department,
BSE Limited,
P.J. Towers, Dalal Street,
Fort, Mumbai – 400 001, India**

Dear Sir/Ma'am

Scrip Code: 542580

Sub: Notice of 39th AGM and Intimation of Cut-off date.

This is to inform that the 39th Annual General Meeting ("AGM") of the Company will be held on Wednesday, the September 29, 2021 at 04:00 P.M (IST) at the Registered Office of the Company at E-2/57, Ashirwad, Arera Colony, Bhopal – 462016.

Pursuant to Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2020-21 which is being sent through electronic mode to the Members.

The Board of Directors in their meeting held on September 06, 2021 have fixed the cut- off date as Tuesday, September 21, 2021 for the purpose of AGM i.e. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Tuesday, September 21, 2021 shall be entitled to avail the facility of voting on the date of the AGM and dividend.

Kindly take the same on your record.

Thanks & Regards,

For Aartech Solonics Limited

**Amit Anil Raje
Chairman and Managing Director
DIN: 00282385**



Enclosures: as above

REGD. OFFICE : "ASHIRWAD", E-2/57, Arera Colony, Bhopal-462016 Tel. : 91-755-4276335, 2463593 Mob. : 9993091168, 9993091167
e-mail : info@aartechsolonics.com

MANDIDEEP UNIT : 35-A/36, Sector-B, Industrial Area, Mandideep Dist. Raisen-462 046 Tel. : 91-7480-233020 Mob. : 9993091168, 9993091167

All Correspondence should be addressed to Regd. Office at Bhopal

CIN-L31200MP1982PLC002030

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 39th Annual General Meeting of the members of **Aartech Solonics Limited** (CIN L31200MP1982PLC002030) will be held on Wednesday, the 29th Day of September, 2021 at 04:00 P.M at the registered office of the Company at E-2/57, Ashirvad, Arera Colony, Bhopal, Madhya Pradesh, 462016 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Board of Directors and Auditors' thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.
2. To declare final dividend on equity shares at the rate 5% [i.e., Re. 0.50/- (Rupee Fifty Paise Only) per Equity Share] for the financial year ended 31 March, 2021.
3. To appoint a director in place of Amit Anil Raje (DIN: 00282385), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Amit Anil Raje (DIN: 00282385), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as the Managing Director of the Company, liable to rotation."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and all other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"),

as amended from time to time, the appointment of Mr. Kshitij Negi (DIN: 09046425), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there-under, and Regulation 16(1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, be and is hereby appointed as Independent Director of the Company for a term of five years commencing February 08th, 2021 to February 07th, 2026, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof) be and is hereby authorized to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

5. RE-APPOINTMENT OF INDEPENDENT DIRECTOR

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the consent of the members be and is hereby accorded for the re-appointment of Mr. Prashant Dattatray Lowlekar (DIN: 08041377) as an Independent Director of the Company for his second consecutive term for a period of five years with effect from February 27th, 2022 on the Board of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as be necessary, proper or expedient to give effect to this resolution."

6. TO INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY AND AMEND THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**: -

"RESOLVED THAT pursuant to provisions of Section 61 and 64 and any other applicable provisions, if any, of the Companies Act, 2013, including rules notified thereunder, as may be amended from time to time (including any statutory modification or re-enactment thereof for the time being in force); the consent of the members of the Company be and is hereby accorded, to increase Authorised Share Capital of the Company from Rs. 10,00,00,000 (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each to Rs. 15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lacs) equity shares of Rs. 10/- each by creation of additional 50,00,000 (Fifty Lacs) equity shares of Rs. 10/- each.

RESOLVED FURTHER THAT pursuant to provisions of Section 13, 61 and 64 and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules framed thereunder; the consent of the members of the Company be and is

hereby accorded, for substituting Clause V of the Memorandum of Association of the Company with the following clause:

V. The Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lacs) equity shares of Rupees 10/- (Ten Only) each.”

7. TO APPROVE THE ISSUANCE OF BONUS SHARES

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**: -

“RESOLVED THAT pursuant to Section 63 of the Companies Act, 2013 and other applicable provisions, if any, including rules notified thereunder, as may be amended from time to time (including any statutory modification or re-enactment thereof for the time being in force) read with Regulation 293 and other relevant provisions, laid down in Chapter XI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, applicable provisions of Article of Association of the Company and applicable Regulatory Authorities and such permissions, sanctions and approvals as may be required in this regard; the consent of the members of the Company be and is hereby accorded for issue upto 35,30,047 equity shares of Rs. 10/- each as bonus shares of an aggregate nominal value upto Rs. 3,53,00,470/- (Rupees Three Crore Fifty-Three Lac Four Hundred and Seventy Only), as bonus shares to the shareholders out of the Securities Premium Account.

RESOLVED FURTHER THAT:

- a. The bonus issue of shares will be made in the ratio of 1:2 [i.e. 1 (One) fully paid up equity shares for every 2 (Two) equity shares held] to the shareholders on such date (Record Date) as may be determined by the board of director(s) after approval of Shareholders in general meeting.
- b. The Equity Shares so issued shall upon allotment have the same rights of voting as the existing equity shares and be treated for all other purposes pari-passu with the existing equity shares of the Company.
- c. Share Certificates shall be issued to those to whom the bonus shares are allotted within the time prescribed in the Companies Act, 2013. With regard to the shares held in dematerialized form, the Bonus shares will be credited to the respective demat account of the holders.
- d. No members shall entitle to a fraction of an equity shares as a result of implementation of this resolution and no certificate or coupon or cash shall be issued for fraction of equity shares and the bonus shall be rounded to the lower integer.
- e. All fractions of bonus equity shares shall be ignored and accordingly the number of issuance of bonus share may be reduced.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Director of the Company be and is hereby authorized to do all acts, deeds, matters and things necessary, proper or desirable and

to sign and execute all necessary documents, authority letters, applications and returns with Stock Exchange, SEBI, Superintendent of Stamps, NSDL, CDSL, RTA or any other authority.”

**By Order of the Board of Directors of
Aartech Solonics Limited**

**Sd/-
Amit Anil Raje
Chairman & Managing Director
DIN: 00282385**

**Place: Bhopal
Dated: 06/09/2021**

**Registered Office:
E-2/57, Ashirvad, Arera Colony,
Bhopal- 462016 (MP)**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
 2. A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and same person shall not act as Proxy for any other person or shareholder.
 3. The instrument appointing the Proxy, duly completed and signed, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy does not have the right to speak at the meeting and can vote only on a poll. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
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4. 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 relevant Board of Directors resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
 5. The Register of Members and the Share Transfer books of the Company will remain closed from 22nd day of September 2021 to 29th day of September, 2021 (both days inclusive) for the purpose of the Annual General Meeting.
 6. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date i.e. 21st September, 2021, only shall be entitled to avail facility of voting at the venue of the meeting. A person who is not a member as on the cutoff date should treat this notice for information purpose only.
 7. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote as provided in the Notice convening the Meeting, which is available on the website of the Company.
 8. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. In view of this the Company would communicate the important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective Member. To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner: The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest. Electronic copy of the Annual Report including Notice of the 39th Annual General Meeting of the Company inter-alia indicating the manner of voting along with Attendance Slip, Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant (s) for communication purposes. However, those members who desire to have a physical copy may request for the same to Company. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode. The Annual Report of the Company will also be made available on the Company's website www.aartechsolonics.com.
 9. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the Meeting. This would enable the Company to compile the information and provide replies in the meeting.
 10. The Company or its Registrars and Transfer Agents, Bigshare Services Private Limited cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
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11. 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 their PAN to the Depository Participants with whom they maintain their demat accounts.
 12. The Board of Directors has appointed Mr. Avadhesh Parashar, Company Secretary in Practice (M. No. A23783, COP No. 9067) as Scrutinizer for conducting the voting process in a fair and transparent manner.
 13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar 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 Depository Participant and holdings should be verified.
 14. With reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB as per SEBI (ICDR) Regulations, 2009 are exempted from e-voting provisions. Your Company is listed on SME platform of BSE and therefore Company is not providing e-voting facility to its shareholders.
 15. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION. Members are requested to bring their Attendance Slip along with copies of their Annual Report at the meeting.
 16. Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the Meeting along with a valid identity proof such as the PAN card, passport, AADHAR Card or driving license.
 17. Route-map to the venue of the Meeting is provided in this Notice.
 18. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the notice and the explanatory statement and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 4.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
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DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT, PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2:

Name	Kshitij Negi	Prashant Dattatray Lowlekar
DIN	09046425	08041377
Date of first appointment at the Board	08/02/2021	27/02/2018
Date of Birth	28/04/1973	30/05/1966
Qualification	MBA (Marketing) from Sydenham, Mumbai	Chartered Accountant
Nature of expertise in specific functional areas	Specializing in Organizational Development and Leadership Coach	Practicing Chartered Accountant
Directorship in the Boards of other Indian listed entities	Nil	Nil
Membership/ Chairmanship in Committees of other Indian listed entities	Nil	Nil

Annexure to the notice of Annual General Meeting

(Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013)

The following Statement sets out all material facts relating to the **Special Business** in the Notice:

Item No. 4 Change in designation of Kshitij Negi (DIN: 09046425) from Additional Independent Director to Independent Director

The Board of Directors of the Company ('the Board') at the meeting held on 06th September, 2021 on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the appointment of Mr. Kshitij Negi (DIN: 09046425) as Independent Director of the Company with effect from February 08th, 2021 to February 07th, 2026, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to his appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Mr. Kshitij Negi, his association would benefit the company. Declarations have been received from Mr. Kshitij Negi that he meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (App

The Directors recommend the aforesaid resolution for the approval by the members as **Ordinary Resolution**.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

Item No. 5 Extension in Appointment of Prashant Dattatray Lowlekar (DIN: 08041377 as an Independent Director for another term of 5 (Five) years.

As per the provisions of Section 149, Section 152 and Schedule IV of the Companies Act, 2013 read with rules thereunder, the Company had appointed Mr. Prashant Dattatray Lowlekar as an Independent Director as per the requirement of the Companies Act, 2013 for a term of 4 years. Since, Mr. Prashant Dattatray Lowlekar as Independent Director of the Company will be completing one term on February 27, 2022, he being further eligible for re-appointment for one more term. The Performance evaluation of the Independent Directors was conducted by the entire Board (excluding the Director being evaluated) on the basis of criteria's such as Transparency, Analytical Capabilities, Performance, Leadership, Ethics and ability to take balanced decisions regarding stakeholders, etc.

Accordingly, based on the report of performance evaluation of the Independent Directors, the Nomination & Remuneration Committee has recommended reappointment of Mr. Prashant Dattatray Lowlekar as Independent Director for a second term of 5 (Five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considered that, given his background and experience and

contributions made by him during his tenure, the continued association of Mr. Prashant Dattatray Lowlekar, would be beneficial to the Company and it is desirable to continue to avail his services as an Independent & Non-Executive Director.

The Company has received declaration from the Independent Director conforming that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the said Act for reappointment as Independent Director.

The Board recommends the Resolution as set out in Item No. 5 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than the Independent Director for his respective reappointment, is in any way concerned or interested in the said Resolution, as set out in Item No. 5 of the Notice.

Item No. 6 To increase the Authorised Share Capital of the Company and amend the Capital clause in the Memorandum of Association

At present the Authorised Share Capital of the Company is 10,00,00,000 (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each out of which paid up share capital of the Company is Rs. 7,06,00,940 (Rupees Seven Crore Six Lacs Nine Hundred and Forty Only) divided into 70,60,094 (Seventy Lacs Sixty Thousand and Ninety-Four) equity shares of Rs. 10/- each.

The Board of Directors of the Company in its meeting held on Monday, September 06, 2021 have recommended the issuance of bonus shares in the ratio of 1:2 [i.e. 1 (One) fully paid up equity shares for every 2 (Two) equity shares held.] If the resolution for issuance of bonus shares as recommended by the Board shall be approved by the members of the Company, then additional 3530047 paid up equity shares shall be allotted to the members post completion of process of bonus issue. So, the total paid up share capital post bonus issue shall be Rs. 10,59,01,410/- which shall exceed the present Authorised Share Capital of the Company. So, in view of the proposed issuance of bonus shares, the present Authorised Share Capital of the Company need to be increased from Rs. 10 Crore to Rs. 15 Crore by creation of additional 50,00,000 (Fifty Lacs) equity shares of Rs. 10/- each. Further, in view of increasing the Authorised Share Capital it is also necessary to amend Clause V of the Memorandum of Association to increase the Authorised Share Capital from Rs. 10 Crore to Rs. 15 Crore.

As per the provisions of Sections 13 & 61 of the Companies Act, 2013, approval of the shareholders is required to be accorded for alteration in the Memorandum of Association and for increasing the Authorised Share Capital of the Company by way of passing a Special Resolution.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 6 for the approval of the Members by way of passing a Special Resolution.

Pursuant to Section 102 of Companies Act, 2013, The Board of Directors of the Company do hereby confirm that none of its Directors, Key Managerial Personnel and relatives thereof are interested, financially or otherwise in the aforesaid resolution.

Item No. 7 To approve the issuance of Bonus Share

As you all are aware that the Company's shares have been listed on EMERGE platform of Bombay Stock Exchange since March 27, 2019. Over the years, the Company has performed significantly well both in terms of profit and business. As on March 31, 2021 total free reserves and surplus of the Company is Rs. 20.83 crore including Security Premium Account of Rs. 5.09 crore. With a view to capitalize the Security Premium Account and to rationalize the capital structure, Board of Directors in its meeting held on Monday, September 06, 2021 have proposed to issue bonus shares at the ratio of 1:2 [i.e. 1 (One) fully paid up equity share for every 2 (Two) equity shares held]. This bonus allotment will also rationalize the paid-up capital of the company with the funds employed in the company.

As per the provisions of Sections 63 of the Companies Act, 2013, approval of the shareholders is required to be accorded for issuance of Bonus Shares to the members of the Company by way of passing a Special Resolution.

Accordingly, the Directors recommend the matter and the resolution set out under Item no. 7 for the approval of the Members by way of passing a Special Resolution.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to their shareholding, in the aforesaid resolution

**By Order of the Board of Directors of
Aartech Solonics Limited**

**Place: Bhopal
Dated: 06/09/2021**

Registered Office:
E-2/57, Ashirvad, Arera Colony,
Bhopal- 462016 (MP)

**Sd/-
Amit Anil Raje
Managing Director
DIN: 00282385**

ROUTE MAP TO THE AGM VENUE

