

Notice to Members

NOTICE is hereby given that the **Thirtieth Annual General Meeting** of the Members of **Akar Auto Industries Limited** (Formerly known as Akar Tools Limited) will be held on **Wednesday, 25th day of September 2019 at 11.30 A.M. at Y. B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai-400021** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and the Statement of Profit and Loss along with Cash Flow Statement and Notes to Accounts for the year ended 31st March 2019 together with Board's Report and Auditor's Report thereon.
2. To declare dividend for the Financial Year ended 31st March, 2019.
3. To appoint a Director in place of Mr. R. L. Gupta (holding DIN 00061861), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Ratification of remuneration to Cost Auditor for the financial year 2019-20.**

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

"RESOLVED THAT pursuant to Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s B. R. Chandak & Company, Cost Accountants (Firm Registration No. 021959), who have been appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020, on a remuneration of ₹ 55,000/- (Rupees Fifty Five Thousand only) plus taxes as applicable, be and is hereby ratified."

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

5. **Appointment of Mr. Anil Kumar Gupta as an Independent Director.**

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

'RESOLVED THAT pursuant to provisions of sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act'), the rules made thereunder read with Schedule IV to the Act and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as the 'Listing Regulations') and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Anil Kumar Gupta (DIN 02643623) who was appointed by the Board of Directors, based on the recommendation of Nomination and Remuneration Committee, as an additional director under section 161(1) of the Act and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner, be and is hereby appointed as an independent director of the Company for a consecutive period of five years, effective from 13th August, 2019 up to 12th August, 2024.

'RESOLVED FURTHER THAT pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Anil Kumar Gupta be paid such fees and remuneration as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.'

6. **Appointment of Mr. Ulhas Narayanrao Gaoli as an Independent Director.**

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

'RESOLVED THAT pursuant to provisions of sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act'), the rules made thereunder read with Schedule IV to the

Act and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as the 'Listing Regulations') and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ulhas Narayanrao Gaoli (DIN 00286833) who was appointed by the Board of Directors, based on the recommendation of Nomination and Remuneration Committee, as an additional director under section 161(1) of the Act and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner, be and is hereby appointed as an independent director of the Company for a consecutive period of five years, effective from 13th August, 2019 up to 12th August, 2024.

'RESOLVED FURTHER THAT pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ulhas Narayanrao Gaoli be paid such fees and remuneration as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.'

7. Approval for Issue of Redeemable Non-convertible Debentures.

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

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), the Foreign Exchange Management Act, 1999, as amended, rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, Reserve Bank of India, Securities and Exchange Board of India, including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, or any

other regulatory authority, and in accordance with the Memorandum of Association and the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as might be required from any regulatory authority and subject to such conditions as may be prescribed by such regulatory authority while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company / any committee(s) constituted/ to be constituted by the Board to exercise its powers including the powers conferred by this resolution may accept, the consent of the members be and is hereby accorded to the Board to make offer(s) or invitation(s) to subscribe the redeemable Non-Convertible Debentures (NCDs), on a private placement basis, in one or more tranches, during a period of one year from the date of passing of special resolution by the members, up to ₹ 15 Crores (Rupees Fifteen Crores only).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/Committee, be and is hereby authorized to determine and consider terms that are proper and most beneficial to the Company including, without limitation, the terms of issue including the class of investors to whom the NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/ discount, utilization of the issue proceeds and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required in this regard and matters connected therewith or incidental thereto."

8. Approval for Material Related Party Transactions.

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

"RESOLVED THAT pursuant to the provisions of the Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as

applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to ratify/ approve all existing contracts / arrangements/ agreements and to enter into contract(s)/ transaction(s) with R. L. Steels & Energy Limited and Akar Industries Private Limited, related parties within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten per cent of the annual turnover of the Company as per audited financial statements of the Financial Year 2018-19; having the following details and as detailed in the Explanatory Statement annexed hereto:

Sr. No.	Name of Related Party	Nature of Transaction	Period of Contract / Arrangement	Amount (₹ In Lakhs)
1	R. L. Steels & Energy Limited	Sale of Scrap / Others	1st April 2019 to 31st March 2020	2,500.00
		Purchase of Raw Material		15,000.00
2	Akar Industries Private Limited	Purchase of Raw Material	1st April 2019 to 31st March 2020	6,000.00

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms & conditions thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an on-going basis as may be required in its absolute discretion pursuant to the above Resolution."

By order of the Board

Date: 13th August 2019
Place: Aurangabad

Sd/-
MITESH GADHIYA
(Company Secretary)

NOTES FOR MEMBERS' ATTENTION

As Akar Auto Industries Limited (Formerly known as Akar Tools Limited), being a listed company and having more than 1,000 shareholders, is compulsorily required to provide remote e-voting facility to members in terms of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting by show of hands will not be available to the members at the 30th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

1. The Company's Statutory Auditors, M/s Jaju and Kabra, were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting of the Members held on September 22, 2017 on a remuneration to be determined by the Board of Directors. Their appointment was subject to ratification by the Members at every subsequent Annual General Meeting held after the AGM held on September 22, 2017.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute.

In view of the above, ratification of the Member for continuance of their appointment at this Annual General Meeting is not being sought. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital

of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. Members/Proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place. 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.
5. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 14th September, 2019 to 20th September, 2019 (both days inclusive). The dividend, if declared, will be paid to those members whose name appears on the Register of Members of the Company as on 13th September, 2019.
7. An explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Businesses to be transacted at the Annual General Meeting is attached hereto.
8. Members holding the shares in electronic form are advised to get their bank mandate updated with their respective Depository Participant as the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. Members holding the shares in physical form are requested to write to the Company for the registration or change of bank mandates for the payment of Dividend.
9. Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company earlier.
10. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company.

11. Members seeking further information about the accounts are requested to write at least 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
12. Members are requested to bring their copies of Annual Report to the meeting, as the same will not be supplied again at the meeting as a measure of economy.
13. Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs and to avail remote e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company.
14. Members are requested to send all their documents and communication pertaining to shares to Big Share Services Private Limited, Share Transfer Agent of the Company at their address 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apt., Marol Maroshi Road, Andheri East, Mumbai-400059, for both physical and demat segments of equity shares.
15. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Bigshare Services Pvt. Ltd. for their doing needful.
16. Members are requested to notify change in address, if any, immediately to Bigshare Services Pvt. Ltd. quoting their folio numbers.
17. As per the provisions of Section 72 of Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he / she may submit the same in Form No. SH-14. Both forms can be downloaded from Company's website www.akartoolsLtd.com under the 'Investor' Section. Members holding shares in physical form are requested to submit the shares to the Company. Members holding shares in electronic form may submit the forms to their respective Depository participant.
18. Members are hereby informed that after the amendment of the erstwhile Companies Act, 1956 w.e.f. 31st October, 1998, the Company is obliged to transfer any money lying in the Unpaid Dividend

Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investor Education and Protection Fund ('the Fund') established by the Central Government. Sections 124 and 125 of the Companies Act, 2013 ('the Act'), read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), applicable w.e.f. 7th September, 2016, also make similar provisions for transfer of unclaimed/ unpaid dividend to the Fund.

As per the above provisions, unclaimed/ unpaid dividend up to the financial year ended 31st March, 2011 has been transferred by the Company to the Fund. Members who have not yet encashed their dividend warrant(s) for any subsequent financial years are requested to make their claims to the Company without any delay.

It may be noted that unclaimed dividend for the financial year 2011-12 declared on 29th September, 2012, can be claimed by the Members by 4th November, 2019.

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

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

In order to help Members to ascertain the status of unclaimed dividends, the Company has uploaded the information in respect of unclaimed dividends for the financial year ended 31st March, 2012 and subsequent years on the website of Investor Education and Protection Fund, www.iepf.gov.in and under 'Investor' Section on the website of the Company, www.akartoolsLtd.com. Also the list of equity shareholders whose shares are liable to be transferred to IEPF can be accessed on the website of the Company www.akartoolsLtd.com under 'Investor' section.

19. Information relating to the Director(s) retiring by rotation and seeking appointment / re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, is annexed to this notice.

20. The Notice of the 30th Annual General Meeting and the Annual Report 2018-19 will also be available on the Company's website www.akartoolsLtd.com for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor email id: corporate@akartoolsLtd.com.

21. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the Meeting.

22. VOTING THROUGH ELECTRONIC MEANS:

- a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Company (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an attentive mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 30th Annual General Meeting of the Company.
- b. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Friday, 13th September, 2019 (the "Cut-off Date") only shall be entitled to vote through remote e-voting and at the AGM. The voting rights of members shall be in

proportion to their share of the paid up equity share capital of the Company as on the Cut-off date.

- c. At the venue of AGM, voting shall be done through ballot papers and the members attending AGM who have not casted their vote by remote e-voting shall be entitled to cast their vote through Ballot papers.
- d. The instructions for members for voting electronically are as under:-
- The voting period begins on 22nd September, 2019 at 9.00 a.m and ends on 24th September, 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 (record date) of 13th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - The shareholders should log on to the e-voting website www.evotingindia.com.
 - Click on Shareholders.
 - 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.
 - Next enter the Image Verification as displayed and Click on Login.
 - 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.

- (vii) 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)	<p>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.</p> <ul style="list-style-type: none"> 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 (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Akar Auto Industries Limited.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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, Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) 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.
- (xx) 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.
- e. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- f. Mr. Nitin S. Sharma (COP No 9761), Practising Company Secretary has been appointed as Scrutinizer for conducting the e-voting process in a fair and transparent manner.

- g. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot papers and thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
- h. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.akartoolsltd.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE.

By order of the Board

Sd/-

MITESH GADHIYA
(Company Secretary)

Date: 13th August 2019
Place: Aurangabad

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

ITEM NO 4:

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

On recommendation of Audit Committee, the Board at their meeting held on 29th May, 2019 has considered and approved appointment M/s B. R. Chandak & Co, Cost Accountants, for conducting of Cost Audit of all applicable products at a remuneration of ₹ 55,000/- (Rupees Fifty Five Thousand Only) plus taxes as applicable for the Financial Year ending 31st March, 2020.

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

None of the Directors of the Company or Key Managerial Persons of the Company or their relatives, are concerned or interested in the passing of the above mentioned resolution.

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

ITEM NO 5 & 6:

Mr. Anil Kumar Gupta (DIN 02643623) and Mr. Ulhas Narayanrao Gaoli (DIN 00286833) on the recommendation of Nomination and Remuneration Committee were appointed by the Board of Directors of the Company as an additional director in the capacity of independent director on 13th August, 2019. They hold office until the ensuing AGM under section 161(1) of the Act.

They have submitted the declaration of independence, pursuant to section 149 (7) of the Act, stating that they meet the criteria of independence as provided in section 149 (6) and regulation 16 of the Listing Regulations. Mr. Anil Kumar Gupta and Mr. Ulhas Narayanrao Gaoli are not disqualified from being appointed as a director in terms of section 164 of the Act.

The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member from Monday to Friday from 10.00 am to 12.30 pm, except holidays and the same shall also be available at the Company's website www.akartoolsltd.com.

In respect of the appointment of Mr. Anil Kumar Gupta and Mr. Ulhas Narayanrao Gaoli, a notice in writing in the prescribed manner, as required by section 160 of the Act, as amended and as per rules made thereunder, has been received by the Company, regarding their candidature for the office of the director.

According to section 152 of the Act, read with Schedule IV to the Act, in the opinion of the Board, the proposed appointment of the aforesaid directors as independent directors, fulfils the conditions specified in the Act and the rules made thereunder and also under the Listing Regulations and that the proposed appointment of Mr. Anil Kumar Gupta and Mr. Ulhas Narayanrao Gaoli are independent of the Management.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are in anyway deemed to be concerned or interested, financially or otherwise, in the Resolutions as set out in Item Nos. 5 and 6 of the Notice.

Your Directors recommend an Ordinary Resolution as set out in Item Nos. 5 and 6 of the Notice for the approval of Members.

ITEM NO 7:

As per the provisions of Section 42 of the Companies Act, 2013 ("Act"), including any statutory modifications or re-enactments thereof for the time being in force, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, a company offering or making an invitation to subscribe to Non Convertible Debentures ("NCD") on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution, which can be obtained once a year for all the offers and invitations for such NCDs during the year.

At the 29th Annual General Meeting held on 28th September, 2018, the consent of shareholders was accorded by way of Special Resolution for issue of Non Convertible Debentures, but such Debentures could not be issued during the period for which the consent was given, therefore it is again proposed to issue Non Convertible Debentures as a source of funding for the purpose of augmentation of working capital, modernisation and capacity expansion.

The approval of the Members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act read with the Rules made thereunder, to enable the Company to offer or invite subscriptions for NCDs on a private placement basis, in one or more tranches, during a period of one year from the date of passing of special resolution by the members,

upto an amount not exceeding ₹ 15 crores, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price, of the NCDs. The proposed borrowings, along with the existing borrowings of the Company, would not exceed the aggregate outstanding borrowings of the Company approved by the Members, from time to time.

None of the Directors of the Company or Key Managerial Persons of the Company or their relatives, are concerned or interested in the passing of the above mentioned resolution.

Your Directors recommend the Special Resolution as set out in Item No. 7 of the Notice for the approval of Members.

ITEM NO 8:

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to obtain consent of the Board and prior approval of the members by resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on an arm's length basis.

However, pursuant to regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders through Ordinary Resolution is required for all 'material' related party transactions (RPT) even if they are entered into in the ordinary course of business on an arm's length basis. For this purpose, a RPT will be considered 'material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The transactions to be entered into by the Company, together with transactions already entered into by the Company with R. L. Steels & Energy Limited and Akar Industries Private Limited, during the current financial year, even though are in the ordinary course of business and on an arm's length basis, are estimated to exceed 10% of the annual turnover of the

Company as per the audited financial statements of the Company of the year ended 31st March, 2019:

Sr. No.	Name of Related Party	Name of Director / KMP who is related	Nature of Relationship	Any other relevant information for the members
1	R. L. Steels & Energy Limited	Mr. R. L. Gupta Mr. N. K. Gupta	Mr. R. L. Gupta and Mr. N. K. Gupta are Directors and also hold more than 2 percent shares of R. L. Steels & Energy Limited.	The transactions are in the ordinary course of business and are at an arm's length basis.
2	Akar Industries Private Limited	Mr. N. K. Gupta	Mrs. Usha Gupta, is relative of Mr. N. K. Gupta is Director of Akar Industries Private Limited.	

The above transactions are approved by the Audit Committee as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In view of the above, it is proposed to seek approval of the members of the Company through an Ordinary resolution for the above transactions and the related parties are abstained from voting on the resolution as set out at Item No. 8.

Except Mr. R. L. Gupta and Mr. N. K. Gupta, none of the Directors or Key Managerial Personnel or their relative(s)/is/are in any way concerned or interested, in passing of the above mentioned resolution.

Your Directors recommend an Ordinary Resolution as set out in Item No. 8 of the Notice for the approval of Members.

AKAR AUTO INDUSTRIES LIMITED

(Formerly known as Akar Tools Limited)

Regd. Office: 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai-400009

CIN: L29220MH1989PLC052305

FORM OF PROXY (MGT - 11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of Member (s)	
Regd. Address	
Email id	
Folio No./ DP Id & Client Id	

I / We, being the member(s) of _____ shares of the Akar Auto Industries Ltd., hereby appoint:

1. Name : _____ Address : _____

Email Id: _____ Signature : _____

2. Name : _____ Address : _____

Email Id: _____ Signature : _____

As my/our Proxy to attend and vote (on a poll) for me/us on my/our behalf at the 30th Annual General Meeting of the Company to be held on Wednesday, 25th September, 2019 at 11:30 A.M. and at any adjournment thereof in respect of resolution as are indicated below:

Resolution No.	Description	For	Against
Ordinary Business			
1	Adoption of the Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2019, the Balance Sheet as on that date, the Board and Auditor's Report thereon.		
2	Declaration of dividend on equity shares for the Financial Year ended 31st March, 2019.		
3	Appoint a Director in place of Mr. R. L. Gupta, who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
4	Ratification of the remuneration of Cost Auditors of the Company for the financial year 2019-20.		
5	Appointment of Mr. Anil Kumar Gupta as an Independent Director.		
6	Appointment of Mr. Ulhas Narayanrao Gaoli as an Independent Director.		
7	Approval for issue of redeemable non-convertible debentures.		
8	Approval for Material Related Party Transactions.		

Signed this _____ day of _____ 2019

Signature of shareholder: _____

Affix ₹1
Revenue
Stamp

Note: This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

AKAR AUTO INDUSTRIES LIMITED

(Formerly known as Akar Tools Limited)

Regd. Office: 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai-400009

CIN: L29220MH1989PLC052305

(ATTENDANCE SLIP)

Regd. Folio No.		Name	
DP ID		No. of Shares held	
Client ID		Proxy No.	

I/We certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the 30th Annual General Meeting of the Company held at Y.B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai- 400021 on Wednesday, 25th September, 2019 at 11.30 A.M.

Member/Proxy's Name (in block letter)

Member/Proxy's Signature

NOTE: Member/Proxy attending the Meeting must fill in this Attendance Slip and hand it over at the Entrance of the Venue of the Meeting.