

**SAWACA BUSINESS MACHINES LIMITED**

**Regd. Office :-** 45, CHINUBHAI TOWER, OPP. HANDLOOM HOUSE, ASHRAM ROAD,  
AHMEDABAD-380009, GUJARAT, INDIA.

Tel:- (079)-26583309 Website: www.sawacabusiness.com

**CIN:** L65910GJ1994PLC023926

**NOTICE**

Notice is hereby given that the Twenty Sixth Annual General Meeting ("AGM") of the Members of SAWACA BUSINESS MACHINES LIMITED will be held on Wednesday 30th September, 2020 at 12:00 Noon through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2020 comprising of the Balance Sheet as at March 31, 2020, Statement of Profit & Loss and Cash Flow Statement as on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the Report of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Shetal Shah [DIN: 02148909] who retires by rotation and being eligible, offers him-self for re- appointment.

Therefore, members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution :

**"RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Shetal Shah [DIN: 02148909], who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation"

3. **To appointment of Statutory Auditors, M/s. M A A K & Associates (Firm registration No.135024W), Chartered Accountants, Ahmedabad and to fix their remuneration.**

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 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s. M A A K & Associates, Chartered Accountants (ICAI Firm Registration No. 135024W), be and are hereby re-appointed as Statutory Auditors of the Company for second term of 5 (five) years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31st Annual General Meeting to be held in the year 2025, at such remuneration as may be decided by the Board of Directors."

**SPECIAL BUSINESS:**

4. **To ratify / approve the related party transactions of the Company.**

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 Section 188 and other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for ratification / approval of material contracts / arrangements entered into by the Company with Related Party as defined under Section 2(76) of the Companies Act, 2013, and as set out in the explanatory statement annexed to the Notice."

5. **To appoint Mrs. Lilaben KishorBhai Agaja as an independent director for another term of five years:**

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

**"RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee, provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act')

read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, Mrs. Lilaben KishorBhai Agaja(DIN: 07124191), who holds the office of Independent Director up to 29th September, 2020 and being eligible, has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and the Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office as such for a second term from 26th AGM to 31st AGM."

**6. Re-Appointment of Mr. ShetalSatish Shah [DIN: 02148909] as a Managing Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), consent and approval of the members of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. Shetal S. Shah [DIN 02148909] as a Managing Director and CEO of the Company for a period of 5 (five) years with effect from 30.09.2020, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed herewith, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**"FURTHER RESOLVED THAT** the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits then he shall be entitled to receive the above remuneration as minimum remuneration."

**"FURTHER RESOLVED THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent as may be required in this regard."

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

**PLACE : AHMEDABAD.**

**DATE : 25.08.2020**

**By Order of the Board  
For, SAWACA BUSINESS MACHINES LIMITED**

**[SHETAL SHAH]  
DIN: 02148909  
Managing Director & Chairman**

**Regd. Office :- 45, CHINUBHAI TOWER,  
OPP. HANDLOOM HOUSE,  
ASHRAM ROAD, AHMEDABAD-380009,  
GUJARAT, INDIA.**

**Tel:- (079)-26583309**

**Website: www.sawacabusiness.com**

**CIN: L65910GJ1994PLC023926**

**NOTES:**

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5 May, 2020 read with circulars dated 8th April, 2020 and 13 April, 2020 (“MCA Circulars” and Securities and Exchange Board of India vide its circular dated 12 May, 2020 (“SEBI Circular”), permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company will be held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the 41 Annual General Meeting of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed hereto.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website i.e. <http://www.sawacabusiness.com/>, website of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com)
6. The brief profile of the Directors proposed to be appointed / re-appointed as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the section “Report on Corporate Governance” forming part of this Annual Report.
7. All documents referred to in the accompanying Notice to the Members and the Explanatory Statement are available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during working hours up to and including the date of the AGM.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

9. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website <http://www.sawacabusiness.com/>, websites of the Stock Exchanges, i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of Company's Registrar and Transfer Agent, Bigshare Services Private Limited at [www.bigshareonline.com](http://www.bigshareonline.com)
10. For receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [sawacabusiness@yahoo.com](mailto:sawacabusiness@yahoo.com) or Company's Registrar and Transfer Agent, Bigshare Services Private Limited at [www.bigshareonline.com](http://www.bigshareonline.com)
  - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
11. The Register of Members and the Share Transfer Register of the Company will remain closed from 15.09.2020 to 30.09.2020 (both days inclusive).
12. The shares of the Company are at present listed with BSE Limited. The listing fee for the financial year 2020-21 has been paid to BSE Limited.

13. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in the prescribed Form No. SH-13 and for cancellation / variation in nomination in the prescribed Form No. SH-14 to the Registrar and Transfer Agent of the Company i.e. M/s Bigshare Services Private Limited.
14. The Notice of Twenty Sixth AGM along with the Annual Report for the financial year 2019-20 will be sent electronically indicating the process and manner of remote e-voting to the Members whose e-mail addresses are registered with the Depository Participants /Company. The physical copy of the Notice of Twenty Sixth AGM along with the Annual Report for the financial year 2019-20 will be sent through permitted mode to those Members whose e-mail addresses are not registered with the Depository Participants/Company indicating the process and manner of remote e-voting.

The Members will be entitled to receive physical copy of the Annual Report for the financial year ended on March 31, 2020, free of cost, upon sending a request to the Registrar and Transfer Agent or the Company Secretary of the Company. The Notice along with the Annual Report will also be available on the Company's website [www.sawacabusiness.com](http://www.sawacabusiness.com)

Further, the Members who have not registered their e-mail address so far are requested to register the same for receiving all communications including Notices, circulars, Annual Reports etc. from the Company electronically.

15. Members whose shareholding is in physical form are requested to inform change in address or bank mandate to the Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited or the Company Secretary of the Company by a written request duly signed by the Member for receiving all communication in future.
16. Members desiring any information relating to the accounts are requested to write to the Company at least ten days before the AGM so as to enable the management to keep the information available at the AGM.
17. 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 dematerialized form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company's Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited or the Company Secretary of the Company.
18. Voting through electronic means(EVSN 200828026):-

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide Members facility to exercise their right to vote at the Twenty Sixth AGM by electronic means ("e-voting") and business may be transacted through remote e-voting (e-voting from a place other than venue of the AGM,) services provided by Central Depository Services (India) Limited (CDSL) for the resolutions set forth in this Notice. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility and a Member may avail facility at his/her discretion, subject to compliance with the instructions for remote e -voting given below :

**Instructions for shareholders voting electronically are as under:**

- (i) The remote e-voting period begins on Sunday, September 27, 2020 (09:00 AM) and ends on Tuesday, September 29, 2020 (5:00 PM). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday 22 September 2020, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. For Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the Attendance Slip indicated in the PAN field.</li> <li>• 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.</li> </ul>
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"> <li>• 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).</li> </ul>

- (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 remote 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 the relevant 'SAWACA BUSINESS MACHINES LIMITED' for which you choose to vote.
- (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 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.
- (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. 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](http://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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Contact Details:**

**Central Depository Services India Limited**

A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds,  
N M Joshi Marg, Lower Parel (East), Mumbai - 400013.  
Tel : 022-23023333 Fax : 022-23002043

19. 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 date i.e. Tuesday 22 September 2020.
20. Any person, who acquires shares of the Company and become Member of the Company after dispatch of Notice of AGM and holding shares as of the cut-off date i.e Tuesday 22 September 2020, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
21. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through electronic voting system.
22. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
23. M/s Mukesh H. Shah & Co., has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting by electronic voting system and remote e-voting process in a fair and transparent manner.
24. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, the facility for voting through electronic voting system will also be made available at the Meeting (“Insta Poll”) and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.
25. The Scrutinizer shall immediately after the conclusion of voting at the AGM, 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 submit within the stipulated time, a consolidated Scrutinizer’s Report of the total votes cast in favour 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.
26. The Results shall be declared on or after the AGM of the Company by the Chairman of the Company or a person authorized by him in writing, within stipulated time, as per the Scrutinizer’s Report submitted to him. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.sawacabusiness.com](http://www.sawacabusiness.com), notice board of the Company and on the website of CDSL. The results shall immediately be forwarded to the BSE Limited.
27. **Instructions for participation through VC:**
  - Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
  - Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
  - Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [www.sawacabusiness.com](http://www.sawacabusiness.com) . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [www.sawacabusiness.com](http://www.sawacabusiness.com). These queries will be replied to by the company suitably by email.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

## 28. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM

- **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](http://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](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.**
- ❖ **Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [www.sawacabusiness.com](http://www.sawacabusiness.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.**
- 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:****ITEM NO. 3:**

The Members of the Company at the 21st Annual General Meeting ('AGM') held on 30th September, 2015 approved the appointment of M/s. M A A K & Associates (previously known as M/s. Marmik G. Shah & Associates), Chartered Accountants (Firm Registration No. 135024W), as the Auditors of the Company for a period of five years from the conclusion of the said AGM. M/s. M A A K & Associates will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of M/s. M A A K & Associates, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 31st AGM. None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

**ITEM NO. 4:**

The Company has entered into following related party transaction with the Related Party during the year under review:

<b>Name of Related Party</b>	<b>Mr. Satish Shah</b>
Nature of relationship	Chief Financial Officer
Nature of transaction	Rent
Amount of Transaction during the year (Rupees in Lacs)	Rs. 2.40
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Related parties interested, if any	Mr. Satish Shah

Pursuant to the provisions of the Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and rules thereunder and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to other approvals, consent of the members through general meeting is required for the ratification / approval of the material contracts / arrangements as stated above entered into by the Company with related party.

As per Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Mr. Vishal Shah Director and Mr. Shetal Shah Managing Director and Mr. Satish R. Shah CFO of the Company are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice except as mentioned above.

Your Directors recommend the resolution for your approval as an Ordinary Resolution.

**ITEM NO. 5:**

The Members of the Company on 30th September, 2015 approved the appointment of Mrs. Leelaben Agaja as Independent Directors of the Company for a period of five years with effect from 30th September, 2015. Mrs. Leelaben Agaja will complete their respective terms on 29th September, 2020. The Board of Directors of the Company ('the Board') at the meeting held on 25th August, 2020, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Mrs. Leelaben Agaja as Independent Directors of the Company with effect from this Annual General Meeting, 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 her respective re-appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Mrs. Leelaben Agaja, and contribution to Board processes by her, her continued association would benefit the Company. Declarations



have been received from Mrs. Leelaben Agaja that she meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015.

In the opinion of the Board, Mrs. Leelaben Agaja fulfil the conditions specified in the Act, the Rules there under and the Listing Regulations 2015 for re-appointment as Independent Directors and she is independent of the management of the Company.

Requisite Notices under Section 160 of the Act proposing the re-appointment of Mrs. Leelaben Agaja have been received by the Company, and consents have been filed by Mrs. Leelaben Agaja pursuant to Section 152 of the Act. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolution.

The Board recommends these Special Resolutions for your approval.

**ITEM NO. 6:**

The Board of Directors of the Company (the 'Board'), at its meeting held on August 25, 2020 has, subject to the approval of Members, to re-appoint Mr. Shetal S. Shah (DIN 02148909) as a Managing director, for a period of 5 (five) years w.e.f. 30.09.2020, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board. It is proposed to seek Members' approval for the re-appointment of and remuneration payable to, Mr. Shetal S. Shah (DIN 02148909) as a Managing director, in terms of the applicable provisions of the Companies Act, 2013 ("the Act"). Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Shetal S. Shah (DIN 02148909) are as under:

- a) Salary:Rs.60,000/- p.m. plus Rs. 20,000/- increase P.A. w.e.f. 30.09.2020
- b) Perquisites and allowances: The perquisites and allowances not exceeding Rs.1600/- p.m., shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/ or allowances for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/ or allowances. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.
- c) Commission: In addition to the salary, perquisites and allowances as set out above, Mr. Shetal S. Shah (DIN 02148909) shall be entitled to receive commission on net profits. The commission payable to him will be determined by the Board and/ or the Remuneration Committee of the Board for each financial year. The overall remuneration including commission shall not exceed 5% of the net profits of the Company as computed in the manner referred to under Section 198(1) of the Act, or any statutory modification(s) or re-enactment thereof.
- d) Reimbursement of Expenses: Reimbursement of expenses incurred for traveling, boarding and lodging including for their respective spouses and attendant(s) during business trips; provision of car for use on the Company's business; telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.

In the event of loss or inadequacy of profits during the tenure of service of the Managing Director, the payment of salary, perquisites and other allowances as per rules of the Company shall be governed by the limits prescribed under Section II (A) of Part II of Schedule V to the Companies Act, 2013. A brief resume of Mr. Shetal S. Shah as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in the statement on corporate governance.

Mr. Shetal S. Shah is interested in the resolution as set out at Item No.6 of the Notice for his reappointment and remuneration payable to him. Save and except the above none of the other Directors of the Company is, in any way, concerned or interested in the aforesaid resolution.

The Board commends the resolutions as set out at Item No. 6 of the Notice for your approval.

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT  
AT THE ANNUAL GENERALMEETING**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	SHETAL SHAH	LILABEN AGAJA
Directors Identification Number [DIN]	02148909	07124191
Date of Birth	12/10/1976	02/02/1980
Date of appointment on the Board	10/03/2010	27/03/2015
Qualifications	B.COM	SSC
Directorship held in other Public Companies (excluding foreign, private and Section 8 companies)	N.A	N.A
Memberships/ Chairmanships of Committee of other public companies (includes only Audit Committee & Stakeholders' Relationship Committee)	N.A	N.A
Number of shares held in the Company	860600	N.A
Expertise in Specific Area	FORMULATING STRATEGY	N.A

**PLACE : AHMEDABAD.**

**DATE : 25.08.2020**

**By Order of the Board  
For, SAWACA BUSINESS MACHINES LIMITED**

**[SHETAL SHAH]  
DIN: 02148909  
Managing Director & Chairman**

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**CIN:** L65910GJ1994PLC023926