

DIFFUSION ENGINEERS LIMITED
Regd. Office: T-5/6, M.I.D.C.,
Hingna, Nagpur - 440 016

NOTICE OF THE THIRTY NINETH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 39th Annual General Meeting of the members of the Diffusion Engineers Limited [CIN - U99999MH2000PLC124154] will be held on Saturday, 25th September, 2021 at 11.30 a.m. 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 and Audited Consolidated Financial Statements for the year ended March 31, 2021 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of Rs. 2.00 per equity share and to approve the interim dividend of Rs. 2.00 per equity share already paid during the year, for the year ended March 31, 2021.
3. To appoint a Director in place of Dr. Renuka Garg (DIN - 02815373) who retires from the office by rotation and being eligible, offers herself for re - appointment.

SPECIAL BUSINESS:-

4. Ratification of Remuneration payable to the Cost Auditors for the Financial Year 2021 - 22

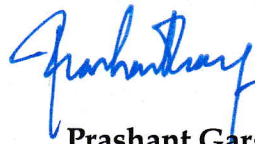
To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re - enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of `Rs.50,000/- (Rupees Fifty Thousand only) plus applicable taxes and reimbursement of travel and out of

pocket expenses, to be paid to M/s A. B. Verma & Co., Cost Accountants, Nagpur (Firm Registration No. 102527/ Membership No. 31367), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2022.

RESOLVED FURTHER THAT the Board (including any Committee thereof) be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**For and on behalf of Board of Directors
Diffusion Engineers Limited**



**Prashant Garg
Chairman & Managing Director
(DIN - 00049106)**

**Date: 24th September, 2021.
Place: Nagpur**

NOTES:-

General

1. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID - 19, the Ministry of Corporate Affairs, Government of India ('MCA'), have allowed companies to conduct Annual General Meetings ('AGM') through Video Conference ('VC')/ Other Audio - Visual Means ('OAVM') during the calendar year 2021, without the physical presence of Members.

In view of the prevailing COVID - 19 pandemic scenario, the Ministry of Corporate Affairs ('MCA') vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular Nos. 02/2021, 17/2020 & 14/2020 dated January 13, 2021, April 13, 2020 and April 8, 2020 respectively (collectively referred to as 'MCA Circulars') have permitted the holding of the Annual General Meeting by companies through VC / OAVM during the calendar year 2021, without the physical presence of the Members.

Accordingly, in compliance with the provisions of the Companies Act, 2013 ('Act'), MCA Circulars, the 39th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue.

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

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

Pursuant to Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice dated 24th September, 2021

Item No. 4

Pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act"), read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to have the audit of its cost records conducted by a cost accountant in practice.

The Board of Directors of your Company has, on the recommendation of the Audit Committee, approved the appointment of **M/s A. B. Verma & Co., Cost Accountants, Nagpur (Firm Registration No. 102527/ Membership No. 31367)**, as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2022, at a remuneration of Rs.50,000/- plus applicable taxes and reimbursement of travel and out of pocket expenses.

M/s A. B. Verma & Co., Cost Accountants, Nagpur (Firm Registration No. 102527/ Membership No. 31367), have the necessary experience in the field of cost audit and have submitted a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

As per the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing the resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2022.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board accordingly recommends the ordinary resolution as set out in Item No. 4 of this Notice for your approval.

**For and on behalf of Board of Directors
Diffusion Engineers Limited**



**PRASHANT GARG
Chairman & Managing Director
DIN - 00049106)**

**Date: 24th September, 2021.
Place: Nagpur**