

**SUNFLAG IRON AND STEEL COMPANY LIMITED**  
**REGISTERED OFFICE : 33, MOUNT ROAD, SADAR, NAGPUR - 440001, MH, IN**

Corporate Identification Number (CIN) – L 27100 MH 1984 PLC 034003

Tel Nos. + 91 712 2524661 / 2520356-7-8, Fax No. + 91 712 2520360, e-mail Id : investor@sunflagsteel.com, Website : www.sunflagsteel.com

**NOTICE**

**NOTICE** is hereby given that the **Thirty-fourth (34<sup>th</sup>) Annual General Meeting ('AGM')** of the Members of **Sunflag Iron and Steel Company Limited** will be held on **Monday, the 21<sup>st</sup> day of September, 2020 at 3.00 P. M.** through Video Conferencing (“**VC**”) or Other Audio-Visual Means (“**OAVM**”) to transact the following business:

**ORDINARY BUSINESS**

- To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the Financial Year 2019-20 ended 31<sup>st</sup> March, 2020, including, the Balance Sheet as at 31<sup>st</sup> March, 2020, Profit and Loss and Cash Flow for the Financial Year 2019-20 ended 31<sup>st</sup> March, 2020, together with the Board's Report and Report of the Statutory Auditors thereon.
- To appoint a Director in place of Mr. Suhrit Ravi Bhushan Bhardwaj (DIN - 02318190), who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint M/s. N S B P & Co., Chartered Accountants, New Delhi (ICAI Firm Registration No. 001075N, Peer Review Certificate No. 009284), as the Statutory Auditors of the Company in place of retiring Auditors M/s. S. S. Kothari Mehta & Co., Chartered Accountants, New Delhi (ICAI Firm Registration No. 000756N, Peer Review Certificate No. 008927) and fix their remuneration and in this connection to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to recommendation of Audit Committee of the Board of Directors, M/s. N S B P & Co., Chartered Accountants, New Delhi (ICAI Firm Registration No. 001075N, Peer Review Certificate No. 009284), be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of the Thirty-fourth (34<sup>th</sup>) Annual General Meeting to hold such office for a period of Five (5) consecutive years till the conclusion of the Thirty-ninth (39<sup>th</sup>) Annual General Meeting of the Company to be held in the Financial Year 2025-26 at such remuneration as shall be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS**

- Appointment of Mr. Anand Sadashiv Kapre (DIN: 00019530), as a Director (Category – Non-executive, Independent) of the Company, and also for a fixed first term of Three (3) consecutive years, as an Independent Director of the Company.**

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

**“RESOLVED THAT** Mr. Anand Sadashiv Kapre (DIN: 00019530), who was appointed by the Board of Directors as an Additional Director of the Company effective 12<sup>th</sup> November, 2019 and who holds office up to the date of this Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“the Act”) and Article 128 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended, from time to time and Regulation 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“Listing Regulations”), Mr. Anand Sadashiv Kapre (DIN: 00019530), who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of 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 an Independent Director of the Company, not liable to retire by rotation, for a fixed first term of three (3) consecutive years i.e. from 25<sup>th</sup> September, 2020 up to 24<sup>th</sup> September, 2023.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and things as may be expedient and necessary to give effect to this resolution.”

- Appointment of CA Vinita Bahri (DIN: 03109454), as a Director (Category – Non-executive, Independent) of the Company, and also for a fixed first term of Five (5) consecutive years, as an Independent Director of the Company.**

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

**“RESOLVED THAT** CA Vinita Bahri (DIN: 03109454), who was appointed by the Board of Directors as an Additional Director of the Company effective 13<sup>th</sup> March, 2020 and who holds office up to the date of this Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“the Act”) and Article 128 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended, from time to time and Regulation 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“Listing Regulations”), CA Vinita Bahri (DIN: 03109454), who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of 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 an Independent Director of the Company, not liable to retire by rotation, for a fixed first term of five (5) consecutive years i.e. from 21<sup>st</sup> September, 2020 up to 20<sup>th</sup> September, 2025.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and things as may be expedient and necessary to give effect to this resolution.”

6. **Re-appointment of CA Neelam Kothari (DIN: 06709241), as a Director (Category – Non-executive, Independent) of the Company for a fixed second term of Five (5) consecutive years.**

To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 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 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, CA Neelam Kothari (DIN: 06709241), who was appointed as a Director of the Company in the category of Non-executive, Independent, and who holds office up to the conclusion of the 34<sup>th</sup> Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose her candidature for the office of Director, be and is hereby re-appointed as a Director of the Company, in the category of Non-executive, Independent, for a fixed second term of consecutive five (5) years, from the conclusion of Thirty-fourth (34<sup>th</sup>) Annual General Meeting i.e. from 21<sup>st</sup> September, 2020 till 20<sup>th</sup> September, 2025.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and things as may be expedient and necessary to give effect to this resolution.”

7. **Re-appointment of Mr. Pranav Bhardwaj (DIN: 00054805) as the Managing Director (Category - Non-independent, Executive), designated Key Managerial Personnel, of the Company not liable to retire by rotation for a further period of Five (5) years effective 17<sup>th</sup> January, 2021.**

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

**“RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force), Articles 151 to 154 of the Articles of Association of the Company, approval of the members be and is hereby accorded to the re-appointment of Mr. Pranav Bhardwaj (DIN : 00054805), as the Managing Director, designated Key Managerial Personnel of the Company, not liable to retire by rotation, for a further period of Five (5) years effective 17<sup>th</sup> January, 2021, on the following terms and conditions including remuneration:

**Remuneration** : Basic Salary: ₹ 6,72,500/- (Rupees Six Lakh Seventy Two Thousand Five Hundred Only) per month, with suitable annual increase as may be decided by the Committee and/or the Board of Directors from time to time;

**Commission** : 2% of Net Profit as computed in accordance with the provisions of the Companies Act, 2013;

**Allowances & Perquisites** : Rent free furnished accommodation with all facilities and amenities or House Rent Allowance @ 40% of Basic Salary per month, reimbursement of all medical expenses / medical allowance, subscription to two clubs, personal insurance, use of car with driver, telephone at residence, contributions to the provident fund, superannuation and annuity fund, leave travel concessions, leave encashment, gratuity and other retirement benefits, reimbursement of business expenses, and all other benefits / allowances as per rules of the Company;

*Explanation: For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.*

**Minimum Remuneration** : In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of Mr. Pranav Bhardwaj (DIN : 00054805) as the Managing Director of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 and be paid as the minimum remuneration;

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time subject to the provisions of the Companies Act, 2013 read with Schedule V to the Act.”

**“FURTHER RESOLVED THAT** the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds, and things as may be considered desirable or expedient to give effect to this resolution.”

8. **Re-appointment of Mr. Surendra Kumar Gupta (DIN: 00054836) as the Deputy Managing Director (Category - Non-independent, Executive), designated Key Managerial Personnel, of the Company liable to retire by rotation for a further period of Three (3) years effective 30<sup>th</sup> July, 2020.**

To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

**“RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force), Articles 151 to 154 of the Articles of Association of the Company approval of the members be and is hereby accorded to the re-appointment of Mr. Surendra Kumar Gupta (DIN : 00054836), as the Deputy Managing Director, designated Key Managerial Personnel of the Company liable to retire by rotation for a further period of Three (3) years effective 30<sup>th</sup> July, 2020 on the following terms and conditions including remuneration:

**Remuneration** : Basic Salary: ₹ 4,00,000/- (Rupees Four Lakh Only) per month, with suitable annual increase as may be decided by the Committee and/or Board of Directors from time to time;

**Allowances & Perquisites** : House Rent Allowance @ 30% of the Basic Salary per month. Other allowances and perquisites as per the rules of the Company as applicable from time to time;

*Explanation: For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.*

**Minimum Remuneration** : In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of Mr. Surendra Kumar Gupta as the Deputy Managing Director of the Company, the payment of remuneration comprising of salary and perquisites shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 and be paid as the minimum remuneration;

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time, subject to the provisions of the Companies Act, 2013 read with Schedule V to the Act.”

“**FURTHER RESOLVED THAT** the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things as may be considered desirable or expedient to give effect to this resolution.”

9. **Re-appointment of CA Rambhatla Muralidhar (DIN: 00982212) as an Executive Director (Finance) (Category - Non-independent, Executive), designated Key Managerial Personnel, of the Company liable to retire by rotation for a further period of Three (3) years effective 14<sup>th</sup> August, 2020.**

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

“**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force), Articles 151 to 154 of the Articles of Association of the Company approval of the members be and is hereby accorded to the re-appointment of CA Rambhatla Muralidhar (DIN : 00982212), as an Executive Director (Finance), designated Key Managerial Personnel of the Company liable to retire by rotation for a further period of Three (3) years effective 14<sup>th</sup> August, 2020 on the following terms and conditions including remuneration:

**Remuneration** : Basic Salary: ₹ 2,70,000/- (Rupees Two Lakh Seventy Thousand Only) per month, with suitable annual increase as may be decided by the Committee and/or Board of Directors from time to time.

**Allowances & Perquisites:** House Rent Allowance@ 30% of the Basic Salary per month. Other allowances and perquisites as per the rules of the Company as applicable from time to time;

*Explanation : For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.*

**Minimum Remuneration** : In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of CA Rambhatla Muralidhar, as an Executive Director (Finance) of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 and be paid as the minimum remuneration;

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time, subject to the provisions of the Companies Act, 2013 read with Schedule V to the Act.”

“**FURTHER RESOLVED THAT** the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things as may be considered desirable or expedient to give effect to this resolution.”

10. **Re-appointment of Mr. Ramchandra Vasant Dalvi (DIN: 00012065) as an Executive Director (Works) (Category - Non-independent, Executive), designated Key Managerial Personnel, of the Company liable to retire by rotation for a further period of Three (3) years effective 14<sup>th</sup> August, 2020.**

To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

“**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force), Articles 151 to 154 of the Articles of Association of the Company approval of the members be and is hereby accorded to the re-appointment of Mr. Ramchandra Vasant Dalvi (DIN : 00012065), as an Executive Director (Works), designated Key Managerial Personnel of the Company, liable to retire by rotation for a further period of Three (3) years effective 14<sup>th</sup> August, 2020 on the following terms and conditions including remuneration:

**Remuneration** : Basic Salary: ₹ 2,00,000/- (Rupees Two Lakh Only) per month, with suitable annual increase as may be decided by the Committee and/or the Board of Directors from time to time.

**Allowances & Perquisites:** As per the rules of the Company as applicable from time to time. HRA- Nil;

*Explanation: For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.*

**Minimum Remuneration** : In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of Mr. Ramchandra Vasant Dalvi as an Executive Director (Works) of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 and be paid as the minimum remuneration;

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time, subject to the provisions of the Companies Act, 2013 read with Schedule V to the Act.”

“**FURTHER RESOLVED THAT** the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things as may be considered desirable or expedient to give effect to this resolution.”

11. **Ratification of Remuneration of Cost Auditors of the Company**

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 all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications and / or re-enactment thereof, for the time being in force), the remuneration of ₹ 2,40,000/- (Rupees Two Lakh Forty Thousand Only) plus applicable taxes (GST) and reimbursement of actual out of pocket expenses, if any, payable in connection with audit of cost records of the Company, for the Financial Year 2020-21 ending 31<sup>st</sup> March, 2021, to M/s. G. R. Paliwal & Company, Cost Accountants, Nagpur (Membership No. 7815), whose appointment as the Cost Auditors of the Company, for the Financial Year 2020-21 ending 31<sup>st</sup> March, 2021, has been duly approved by the Board of Directors, based on the recommendations of the Audit Committee of the Company, be and is hereby ratified.”

**By Order of the Board**  
**CS Ashutosh Mishra**  
**Company Secretary**  
**M. No. ACS - 23011**

**NOTES :**

**IN VIEW OF THE CONTINUING COVID-19 PANDEMIC, SOCIAL DISTANCING NORM IS REQUIRED TO BE FOLLOWED, ACCORDINGLY, THE MINISTRY OF CORPORATE AFFAIRS ("MCA") HAS VIDE ITS CIRCULAR DATED MAY 5, 2020 READ WITH CIRCULARS DATED APRIL 8, 2020 AND APRIL 13, 2020 (HEREINAFTER REFERRED TO AS "MCA CIRCULARS") PERMITTED THE HOLDING OF 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 34<sup>TH</sup> AGM OF THE COMPANY SHALL BE CONDUCTED THROUGH VC / OAVM.**

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business under Item Nos. 4 to 11 is annexed hereto and forms part of the Notice. Information related to the directors seeking appointment/re-appointment, pursuant to the provision of Regulation 36 (3) of the Listing Regulations has been given in the Corporate Governance Report which forms an integral part of the Board's Report of the Company.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, 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 to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. All documents referred to in the Notice including Explanatory Statement thereof, will be available for inspection by Members during working hours on any working day till the date of the Thirty-fourth (34<sup>th</sup>) Annual General Meeting through VC / OAVM at the scheduled time of the Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company.
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. The Register of Members and Share Transfer Books of the Company, will remain closed, from **Saturday, the 12<sup>th</sup> day of September, 2020 to Monday, the 21<sup>st</sup> day of September, 2020 (both days inclusive) for the purpose of Thirty-fourth (34<sup>th</sup>) Annual General Meeting.**
6. The Members are requested to send their queries, if any, in writing alongwith their Name, DP ID and Client ID/ Folio No., E-mail Id, Mobile Number to the Investor Service Cell at [investor@sunflagsteel.com](mailto:investor@sunflagsteel.com) on or before Monday, the 14<sup>th</sup> September, 2020. Queries received well within the stipulated time will be considered and duly responded in writing at the given e-mail Id of the Member concerned.
7. 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 [www.sunflagsteel.com](http://www.sunflagsteel.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of the e-voting agency- National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)  
Shareholders who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may also temporarily provide their email address and mobile number to the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited ('Bigshare'), by clicking the link: <https://www.bigshareonline.com> for sending the same. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to [jibu@bigshareonline.com](mailto:jibu@bigshareonline.com).  
Alternatively, member may send an e-mail request at the email id [jibu@bigshareonline.com](mailto:jibu@bigshareonline.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
8. **REGISTRAR & SHARE TRANSFER AGENT**  
**M/s. Bigshare Services Private Limited**, 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri (East), Mumbai – 400059, MH, IN, have been appointed by the Company as the Registrar and Share Transfer Agent (RTA) effective 31<sup>st</sup> March, 2003. Therefore, the Depository Participants, Shareholders / Investors of the Company, are advised to send all documents and correspondence, such as requests for Dematerialisation of Shares, Change of Address, Registration of e-mail Id, Change of Bank Mandate or NACH and other Shares related documents to M/s. Bigshare Services Private Limited at the above mentioned address only.
9. **CHANGE OF INFORMATION / BANK MANDATE**  
The Members holding Equity Shares in physical form are requested to notify or update any change in their Registered Address, Bank Mandate e.g. Name of Bank, Branch Address, Account Number and MICR and IFS Code to the Registrar and Share Transfer Agent (RTA) and/or the Company or to their respective Depository Participants (DP), if the Shares are held in Demat mode.
10. **DEMATERIALISATION OF SHARES**  
This is to inform that about 11,11,75,197 Equity Shares (**61.6888%**) of the total Issued, Subscribed and Paid-up Share Capital of the Company, have already been dematerialized as of 31<sup>st</sup> March, 2020.  
In terms of the amended Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, as amended, except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialised form with a Depository. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to Bigshare for consolidating their holdings under one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

#### 11. TRANSFER OF UNCLAIMED DIVIDEND AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) DIVIDEND:

The dividend declared by the Company which remains unpaid or unclaimed for a period of Seven (7) years is required to be transferred to the Investor Education & Protection Fund (IEPF) established by the Central Government pursuant to Section 124(5) of the Companies Act, 2013.

As such, the details of dividend remaining unpaid or unclaimed for Seven (7) years and subsequently its transfer to IEPF Account of Central Government is as under:

S. N.	Date of AGM	Date of Transfer to IEPF	Amount (₹)
1	Twentieth (20 <sup>th</sup> ) - 28 <sup>th</sup> September, 2006	27 <sup>th</sup> September, 2013	15,92,685.00
2	Twenty-first (21 <sup>st</sup> ) - 25 <sup>th</sup> September, 2007	24 <sup>th</sup> September, 2014	11,71,767.00
3	Twenty-second (22 <sup>nd</sup> ) - 23 <sup>rd</sup> September, 2008	22 <sup>nd</sup> September, 2015	18,71,945.00
4	Twenty-third (23 <sup>rd</sup> ) - 25 <sup>th</sup> September, 2009	24 <sup>th</sup> September, 2016	22,14,452.00
5	Twenty-fourth (24 <sup>th</sup> ) - 23 <sup>rd</sup> September, 2010	22 <sup>nd</sup> September, 2017	20,24,582.00
6	Twenty-fifth (25 <sup>th</sup> ) - 23 <sup>rd</sup> September, 2011	22 <sup>nd</sup> September, 2018	20,36,465.00

The shareholders who have not claimed the dividend declared and paid for the Financial Year 2017-18 and 2018-19 are requested to claim it at the earliest possible.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the requisite details on 27<sup>th</sup> September, 2019 (date of last Annual General Meeting) on the website of the Company [www.sunflagsteel.com](http://www.sunflagsteel.com) and also of the Ministry of Corporate Affairs.

#### SHARES:

In terms of the provisions of Section 124(5) of the Companies Act, 2013 ('the Act') read with the rules made there under, dividend amount remaining unpaid or unclaimed for a period of Seven (7) years, from the date it became due for payment, is required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, the Ministry of Corporate Affairs has notified "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" ('the Rules') which have come into force from 7<sup>th</sup> September, 2016. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been claimed for Seven (7) years or more, in the name of '**IEPF Demat Account**'.

Accordingly, the Company has transferred a total 31,69,315 equity shares constituting about 1.759% of the total issued, subscribed and paid-up share capital, including 28,050 equity shares of "Unclaimed Suspense Account", which was created pursuant to Regulation 39 of the SEBI (LODR) Regulations, 2015 (as amended).

The voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares from the IEPF Authority. The IEPF Authority has laid down the detailed procedure for claiming both dividend as well as shares. The detailed list of shares transferred to this IEPF Authority Account as well as detailed procedure to claim is available on the Company's website [www.sunflagsteel.com](http://www.sunflagsteel.com). Further, the procedure for claim is also available on the website of IEPF authority at [www.iepf.gov.in](http://www.iepf.gov.in). During the financial year 2019-2020 under review, several rightful shareholders have claimed shares from this account. The detailed list of shares transferred to this IEPF account is available on the Company's website [www.sunflagsteel.com](http://www.sunflagsteel.com).

#### 12. GREEN INITIATIVE

As a part of Green Initiative in Corporate Governance, your Company proposes to send Annual Report, Notice of General Meeting/s, Statement annexed to Notice, Financial Statement/s, Board's Report, Auditors' Report, Postal Ballot Notice, Postal Ballot Form and other communications, documents and notices, etc. (referred to as 'communications or documents'), as may be required under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to its Members, in electronic form.

In view of above, you are requested to notify or update, if there is any change in your registered e-mail id (address), with the DP or the Company, as the case may be, from time to time. **We strongly believe that with your support we can make this step of the Government meaningful in creating a healthier and greener environment.**

#### 13. e-VOTING

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at

the Thirty-fourth (34<sup>th</sup>) Annual General Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:**

**The remote e-voting period begins on Friday, 18<sup>th</sup> September, 2020 at 09:00 A.M. and ends on Sunday, 20<sup>th</sup> September, 2020 at 05:00 P.M. During this period Members' of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, the 14<sup>th</sup> September, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1** : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**Step 2** : Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section'.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://www.evoting.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii) If your email ID is not registered, please follow steps mentioned below in process **for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "**Physical User Reset Password**" (If you are holding shares in physical mode) option available on <https://www.evoting.nsdl.com/>.
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the Companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csmukesh@live.com](mailto:csmukesh@live.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forget User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in)/[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**Process for those shareholders whose email ids are not registered with the depositories for procuring User Id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investor@sunflagsteel.com](mailto:investor@sunflagsteel.com).  
In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor@sunflagsteel.com](mailto:investor@sunflagsteel.com).
2. Alternatively member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by proving the details mentioned in Point (1) as the case may be.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF 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 Members/shareholders, who will be 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 in the AGM.
3. Members 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. 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.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more

shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Board of Directors has appointed M/s. Mukesh Parakh & Associates, Company Secretaries, Nagpur, (ICSI Membership No. FCS - 4343 & Certificate of Practice No. 13693), as a Scrutinizer to process the e-voting of the Thirty-fourth (34<sup>th</sup>) Annual General Meeting in a fair and transparent manner.
7. CS Ashutosh Mishra (ICSI Membership No. ACS - 23011) of the Company shall be responsible for addressing all the grievances in relation to this Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company.
8. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, September 14<sup>th</sup>, 2020 through email on [investor@sunflagsteel.com](mailto:investor@sunflagsteel.com). The same will be replied by the Company suitably.
9. The results of voting shall be declared within forty-eight (48) hours of the conclusion of the Thirty-fourth (34<sup>th</sup>) Annual General Meeting. The results of voting so declared along with the Scrutinizer's Report shall be placed on the Company's Website ([www.sunflagsteel.com](http://www.sunflagsteel.com)), NSDL Website and shall also be communicated to the Stock Exchanges (BSE & NSE).

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

##### **Item No. 4 :**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee of the Board, at its meeting held on 12<sup>th</sup> November, 2019, has approved and appointed, Mr. Anand Sadashiv Kapre (DIN: 00019530), as an Additional Director [Category: Non-executive, Independent] of the Company, effective 12th November, 2019. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and Article 128 of the Articles of Association of the Company, Mr. Anand Sadashiv Kapre, shall hold office up to the date of this Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company, and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member of the Company, proposing his candidature for the office of a Director of the Company.

Further, Mr. Anand Sadashiv Kapre, aged about 71 years, is a graduate from IIT Madras as B. Tech. (Electrical). He initiated working with ACC and Indian Oxygen Limited and worked for 3 years each in their plants. Thereafter, he joined ICICI Limited and worked for 25 years in project / working capital finance, follow up and risk management roles. He is L.L.B from Mumbai University. The additional information, related to Mr. Anand Sadashiv Kapre, has been given in the Corporate Governance Report and Board Report which forms an integral part of this Annual Report, as per the provisions of Regulations 26 (4) and 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ["Listing Regulations"] and Clause 1.2.5 of the Secretarial Standards-2.

The Company has also received a self-declaration from Mr. Anand Sadashiv Kapre, to the effect that he was or is not disqualified from being appointed as a Director of the Company in terms of the provisions of Section 164 of the Act and has submitted his consent to act as a Director of the Company.

The Company has also received a self-declaration from Mr. Anand Sadashiv Kapre, to the effect that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

The Company has also received a self-declaration from Mr. Anand Sadashiv Kapre, to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations and that he has complied with the provisions of rule 6 (1) (b) of the Companies (Appointment and Qualification of Directors) Rules, 2014 of the Act, by registering his name in the Independent Director's Data Bank bearing registration no. IDDB-DI-202001-005387 having validity up to 15.01.2021 maintained by the Indian Institute of Corporate Affairs at Manesar.

In the opinion of Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Anand Sadashiv Kapre, fulfills the conditions specified in the Act and Listing Regulations, for appointment as a Director and also, as an Independent Director of the Company. Mr. Anand Sadashiv Kapre is independent of the Management and Promoters of the Company.

As such, it is proposed to appoint Mr. Anand Sadashiv Kapre as a Director [Category – Non-executive, Independent], of the Company, not liable to retire by rotation, and also, as an Independent Director of the Company, to hold the office for a fixed first term of three (3) consecutive years, from 21<sup>st</sup> September, 2020 till 20<sup>th</sup> September, 2023.

The terms and conditions of his appointment (draft appointment letter) shall be open for inspection by the Members of the Company, at the Registered Office of the Company during the normal business hours on any working day till the date of Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company.

Mr. Anand Sadashiv Kapre, may be deemed to be interested or concerned in the Resolution set out at Item No. 4 of the Notice with regard to his appointment. Except Mr. Anand Sadashiv Kapre, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

Keeping in view the vast experience and knowledge of Mr. Anand Sadashiv Kapre, the Board of Directors of the Company, recommends the Ordinary Resolution at Item No. 4 of the Notice for approval of the Members in the interest of the Company.

##### **ITEM NO. 5:**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee of the Board, on 13<sup>th</sup> March, 2020, has



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approved and appointed, CA Vinita Bahri (DIN – 03109454), as an Additional Director [Category: Non-executive, Independent], of the Company, effective 13<sup>th</sup> March, 2020. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and Article 128 of the Articles of Association of the Company, CA Vinita Bahri, shall hold office up to the date of this Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company, and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member of the Company, proposing her candidature for the office of a Director of the Company.

CA Vinita Bahri, aged about 50 years, is a qualified Chartered Accountant and further pursued her Master of Business Administration (MBA) in Marketing. She is into the profession of Financial Consultancy and is the founder of Samarth Wealth Management. The additional information related to CA Vinita Bahri, has been given in the Corporate Governance Report and Board Report which form an integral part of this Annual Report, as per the provisions of Regulations 26 (4) and 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) [“Listing Regulations”] and Clause 1.2.5 of the Secretarial Standards-2.

The Company has also received a self-declaration from CA Vinita Bahri, to the effect that she was or is not disqualified from being appointed as a Director of the Company in terms of the provisions of Section 164 of the Act and has submitted her consent to act as a Director of the Company.

The Company has also received a self-declaration from CA Vinita Bahri, to the effect that she was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject “Enforcement of SEBI Orders regarding appointment of Directors by listed Companies”.

The Company has also received a self-declaration from CA Vinita Bahri, to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations and that she has complied with the provisions of the rule 6 (1) (b) of the Companies (Appointment and Qualification of Directors) Rules, 2014 of the Act, by registering her name in the Independent Director's Data Bank bearing registration no. IDDB-NR-202003-020865 having validity up to 12.03.2021 maintained by the Indian Institute of Corporate Affairs at Manesar.

In the opinion of Nomination and Remuneration Committee and Board of Directors of the Company, CA Vinita Bahri, fulfills the conditions specified in the Act and Listing Regulations, for appointment as a Director and also, as an Independent Director of the Company. CA Vinita Bahri is independent of the Management and Promoters of the Company.

As such, it is proposed to appoint CA Vinita Bahri as a Director [Category – Non-executive, Independent], of the Company, not liable to retire by rotation, and also, as an Independent Director of the Company, to hold the office for a fixed first term of five (5) consecutive years, i.e. from 21<sup>st</sup> September, 2020 till 20<sup>th</sup> September, 2025.

The terms and conditions of her appointment (draft appointment letter) shall be open for inspection by the Members of the Company, at the Registered Office of the Company during the normal business hours on any working day till the date of Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company.

CA Vinita Bahri, may be deemed to be interested or concerned in the Resolution set out at Item No. 5 of the Notice with regard to her appointment. Except CA Vinita Bahri, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

Keeping in view the vast experience and knowledge of CA Vinita Bahri, the Board of Directors of the Company, recommends the Ordinary Resolution at Item No. 5 of the Notice for approval of the Members in the interest of the Company.

#### **ITEM NO. 6:**

The Members are apprised that CA Neelam Kothari (DIN : 06709241) was appointed as a Non-executive, Independent Director of the Company at the Twenty-ninth (29<sup>th</sup>) Annual General Meeting held on 25<sup>th</sup> September, 2015 for a fixed first term of consecutive five (5) years i. e. from the conclusion of 29<sup>th</sup> Annual General Meeting up to the conclusion of 34<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2020.

Section 149(10) of the Companies Act, 2013 ('Act') provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company. Section 149(11) provides that an independent director may hold office for two consecutive terms.

The Board taking into account the recommendation of the Nomination and Remuneration Committee based on the report of performance evaluation of Directors, has recommended the re-appointment of CA Neelam Kothari as a Director of the Company in the category of Independent Director, not liable to retire by rotation, for a second term of 5 (five) years i. e. from 21<sup>st</sup> September, 2020 till 20<sup>th</sup> September, 2025.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) inter alia prescribes that an independent director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act. The Company has received a self-declaration from CA Neelam Kothari that she meets the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013 and the provisions of the Listing Regulations and that she has complied with the provisions of rule 6 (1) (b) of the Companies (Appointment and Qualification of Directors) Rules, 2014 of the Act, by registering her name in the Independent Director's Data Bank bearing registration no. IDDB-DI-202006-027912 having validity up to 07.06.2021 maintained by the Indian Institute of Corporate Affairs at Manesar. .

The Company has also received a self-declaration from CA Neelam Kothari to the effect that she was or is not disqualified from being appointed as the Director in terms of Section 164 of the Companies Act, 2013 and she has given her consent to act as the Director of the Company.

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The Company has also received a self-declaration from CA Neelam Kothari, to the effect that she was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of CA Neelam Kothari for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The aforesaid Independent Director is an eminent personality in her field. Your Board considers that her continued association with the Company would be of immense benefit to the Company. In the opinion of the Board, CA Neelam Kothari fulfils the conditions for re-appointment as the Non-executive, Independent Director of the Company as per the applicable provisions of the Act and the Listing Regulation/s. She is also independent of the Management and Promoters of the Company

A Brief profile of CA Neelam Kothari, nature of her expertise in specific functional areas and names of Companies in which she holds directorships and memberships / chairmanships of Board Committees etc., required to be given pursuant to Regulations 26 (4) and 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard-2 in respect of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting, has been given in the Corporate Governance Report and Board Report which forms an integral part of this Annual Report.

CA Neelam Kothari, may be deemed to be interested or concerned in the Resolution set out at Agenda Item No. 6 of the Notice with regard to her appointment. Except CA Neelam Kothari, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

The terms and conditions of her appointment (draft appointment letter) shall be open for inspection by the Members of the Company, at the Registered Office of the Company during the normal business hours on any working day till the date of Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company.

Keeping in view the vast experience and knowledge of CA Neelam Kothari, the Board of Directors of the Company, recommends the Special Resolution at Item No. 6 of the Notice for approval of the Members in the interest of the Company.

#### **ITEM NO. 7:**

Mr. Pranav Bhardwaj (DIN - 00054805), aged about 46 years hails from a renowned family of industrialists and an industrial entrepreneur himself. He is a dynamic new generation industrialist. He has graduated as B.Sc. majoring in Chemistry and Business Management (Joint Honors Degree) from the world renowned Imperial College of London. He has over twenty (25) years of experience in Steel and Textile industry and he is associated with the Company since year 1995.

Mr. Pranav Bhardwaj was appointed as the Joint Managing Director of the Company for three (3) terms of five (5) years effective from 17<sup>th</sup> January, 2001; 17<sup>th</sup> January, 2006 & 17<sup>th</sup> January, 2011 and subsequently, re-designated as the Managing Director of the Company effective 12<sup>th</sup> August, 2015. He was reappointed by the Members of the Company at the 29<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2015 in terms of recommendations of the Nomination and Remuneration Committee and the Board of Directors vide their meetings held on 12<sup>th</sup> August, 2015, as the Managing Director of the Company for a period of Five (5) Years effective from 17<sup>th</sup> January, 2016, accordingly, his existing term expires on 16<sup>th</sup> January, 2021.

Based on the report of the performance evaluation of the Managing Director, considering his knowledge of various aspects relating to the Company's affairs and long business experience, contribution made by him during his tenure for smooth and efficient running of the business and keeping in view his unstinted efforts and wide contributions which resulted in increase in the Company's overall performance and financial results and on the recommendation of the Nomination and Remuneration Committee of the Board at its 46<sup>th</sup> meeting held on 13<sup>th</sup> August, 2020, the Board considers that the continued association of Mr. Pranav Bhardwaj would be beneficial to the Company and it is desirable to continue to avail his services as the Managing Director.

Accordingly the Board of Directors at its 179<sup>th</sup> meeting held on 13<sup>th</sup> August, 2020, considered and approved the re-appointment of Mr. Pranav Bhardwaj, as the Managing Director, designated Key Managerial Personnel of the Company not liable to retire by rotation, for a further period of 5 (five) years effective 17<sup>th</sup> January, 2021 till 16<sup>th</sup> January, 2026, subject to approval of the Members at the ensuing Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company by way of Ordinary Resolution, on the remuneration, allowances and perquisites as stated below:

- a) Remuneration** : Basic Salary: ₹ 6,72,500/- (Rupees Six Lakh Seventy-Two Thousand Five Hundred Only) per month, with suitable annual increase as may be decided by the Committee and/or the Board of Directors from time to time;
- b) Commission** : 2% of Net Profit as computed in accordance with the provision of the Companies Act, 2013 ('Act').
- c) Allowances & Perquisites**: Rent free furnished accommodation with all facilities and amenities or House Rent Allowance @ 40% of Basic Salary per month, reimbursement of all medical expenses / medical allowance, subscription to two clubs, personal insurance, use of car with driver, telephone at residence, contributions to the provident fund, superannuation and annuity fund, leave travel concessions, leave encashment, gratuity and other retirement benefits, reimbursement of business expenses, and all other benefits / allowances as per rules of the Company;

*Explanation: For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.*

**d) Minimum Remuneration** : In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of Mr. Pranav Bhardwaj (DIN - 00054805) as the Managing Director of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Act and be paid as the minimum remuneration;

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time, subject to the provisions of the Act read with Schedule V to the Act.

The terms and conditions of appointment including the remuneration payable to Mr. Pranav Bhardwaj are in accordance with and well within the ceiling as laid down under Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Act, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force).

Mr. Pranav Bhardwaj is not disqualified from being re-appointed as a Managing Director of the Company in terms of Section 164 of the Act and has submitted his consent to act as a Director of the Company.

The Company has also received a self-declaration from Mr. Pranav Bhardwaj, to the effect that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

The Company has received notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Pranav Bhardwaj, as the Managing Director of the Company.

The Board having considered his qualifications, experience and responsibilities recommends, the resolution at Item No. 7 of the Notice related to the re-appointment of Mr. Pranav Bhardwaj (DIN - 00054805) as the Managing Director of the Company for a further period of five (5) years effective from 17<sup>th</sup> January, 2021 for the approval of Shareholders in the interest of the Company.

A brief profile of Mr. Pranav Bhardwaj and other requisite details pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India have been given in the Corporate Governance Report and Board Report which forms an integral part of this Annual Report.

The above may be treated as the written memorandum setting out the terms and conditions including remuneration related to the re-appointment of Mr. Pranav Bhardwaj, as the Managing Director of the Company under Section 190 of the Act.

Since Mr. Ravi Bhushan Bhardwaj (DIN - 00054700), Non- Executive Chairman and Mr. Suhrit Ravi Bhushan Bhardwaj (DIN – 02318190), Non- Executive Director are related to Mr. Pranav Bhardwaj (DIN - 00054805) they are deemed to be interested or concerned in the Resolution set out at Item No. 7 of the Notice with regard to his appointment. Except Mr. Pranav Bhardwaj for himself, Mr. Ravi Bhushan Bhardwaj and Mr. Suhrit Ravi Bhushan Bhardwaj, no other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

**ITEM NO. 8:**

Mr. Surendra Kumar Gupta (DIN: 00054836), aged about 71 years, qualified as B.E. (Mechanical) & holding Diploma in Business Management, working with the Company since 1992, is having overall experience of about 40 years in Steel & Steel making industry.

He was reappointed by the Members of the Company at the 31<sup>st</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017 in terms of recommendation of the Nomination and Remuneration Committee and the Board of Directors vide their meetings held on 26<sup>th</sup> May, 2017, as the Deputy Managing Director of the Company for a period of Three (3) Years effective from 30<sup>th</sup> July 2017, accordingly, his existing term expires on 29<sup>th</sup> July, 2020.

Mr. Surendra Kumar Gupta is presently looking after and responsible for the overall operations of the Company's Steel Plant at Warthi, Bhandara Road in the state of Maharashtra and also various mining activities of the Company.

Based on the performance evaluation of the Deputy Managing Director, his unstinted efforts and wide contributions made in the progress of the Company and considering his knowledge of various aspects relating to the Company's affairs and long experience and as per the recommendation of the Nomination and Remuneration Committee of the Board at its 45<sup>th</sup> meeting held on 26<sup>th</sup> June, 2020, the Board considers that the continued association of Mr. Surendra Kumar Gupta would be beneficial to the Company and it is desirable to continue to avail his services as the Deputy Managing Director.

Further as per Section 196(3) of the Companies Act, 2013 ('Act'), no Company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who is below the age to twenty-one years or has attained the age of seventy years unless the appointment/continuation is approved by the shareholders by way of Special Resolution. As Mr. Surendra Kumar Gupta is 16.08.1948 born and has attained the age of Seventy (70) years, his appointment requires the approval of shareholders by way of Special Resolution in the General Meeting.

The Board of Directors at its 178<sup>th</sup> meeting held on 26<sup>th</sup> June, 2020, considered and approved his re-appointment as the Deputy Managing Director, designated Key Managerial Personnel of the Company liable to retire by rotation, for a further period of 3 (three) years effective 30<sup>th</sup> July, 2020, subject to approval of the Members at the ensuing Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company by way of Special Resolution, on the remuneration, allowances and perquisites as stated below:

**a) Remuneration** : Basic Salary: ₹ 4,00,000/- (Rupees Four Lakh Only) per month, with suitable annual increase as may be decided by the Committee and/or Board of Directors from time to time;

**b) Allowances & Perquisites:** House Rent Allowance@ 30% of the Basic Salary per month. Other allowances and perquisites as per the rules of the Company as applicable from time to time;

*Explanation : For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.*

**c) Minimum Remuneration :** In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of Mr. Surendra Kumar Gupta (DIN : 00054836) as the Deputy Managing Director of the Company, the payment of remuneration comprising of salary and perquisites shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Act and be paid as the minimum remuneration;

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time, subject to the provisions of the Act read with Schedule V to the Act.

The terms and conditions of appointment including the remuneration payable to Mr. Surendra Kumar Gupta are in accordance with and well within the ceiling as laid down under Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Act, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force).

Mr. Surendra Kumar Gupta is not disqualified from being re-appointed as a Deputy Managing Director of the Company in terms of Section 164 of the Act and has submitted his consent to act as a Director of the Company.

The Company has also received a self-declaration from Mr. Surendra Kumar Gupta, to the effect that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

The Company has received notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Surendra Kumar Gupta, as the Deputy Managing Director of the Company.

The Board having considered his qualifications, experience and responsibilities recommends, the resolution at Item No. 8 of the Notice related to the re-appointment Mr. Surendra Kumar Gupta as the Deputy Managing Director of the Company for a further period of three (3) years effective from 30<sup>th</sup> July, 2020, for approval of the Shareholders by way of Special Resolution in the interest of the Company.

The above may be treated as the written memorandum setting out the terms and conditions including remuneration related to the re-appointment of Mr. Surendra Kumar Gupta, as the Deputy Managing Director of the Company under Section 190 of the Act.

A brief profile of Mr. Surendra Kumar Gupta and other requisite details, pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India have been given in the Corporate Governance Report and Board Report which forms an integral part of this Annual Report.

Mr. Surendra Kumar Gupta, may be deemed to be interested or concerned in the Resolution set out at Item No. 8 of the Notice with regard to his appointment. Except Mr. Surendra Kumar Gupta, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

#### **ITEM NO. 9:**

CA Ramhatla Muralidhar (DIN : 00982212), aged about 65 years, a Fellow Member of the Institute of Chartered Accountants of India (the ICAI) (Membership No. 24725), having overall experience of about 40 years in Steel, Aluminium, Cement and other manufacturing Companies. He is working with the Company since year 1993, wherein, has started his career as Manager (Finance) posted at the Company's Works and gradually elevated to various positions and ultimately to the Executive Director (Finance) of the Company.

CA Ramhatla Muralidhar is presently looking after and responsible for the overall Accounts, Finance and Banking activities of the Company.

Over a period of time, CA Ramhatla Muralidhar is recognised as a good administrator, team leader and contributed in the overall growth of the Company through prudent and strict financial management. He was reappointed by the Members of the Company at the 31<sup>st</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017 in terms of recommendations of the Nomination and Remuneration Committee and the Board of Directors at their meetings held on 14<sup>th</sup> August, 2017, as the Whole-time Director, designated as the Executive Director (Finance) & CFO of the Company for a period of Three (3) Years effective from 14<sup>th</sup> August, 2017, accordingly, his existing term expires on 13<sup>th</sup> August, 2020.

Based on the performance evaluation of the Executive Director (Finance), his unstinted efforts and wide contributions made in the progress of the Company and considering his knowledge of various aspects relating to the Financial, Accounting and Banking affairs of the Company and long experience and as per the recommendation of the Nomination and Remuneration Committee of the Board at its 45<sup>th</sup> meeting held on 26<sup>th</sup> June, 2020, the Board considers that the continued association of CA Ramhatla Muralidhar would be beneficial to the Company and it is desirable to continue to avail his services as the Executive Director (Finance).

The Board of Directors at its 178<sup>th</sup> meeting held on 26<sup>th</sup> June, 2020, considered and approved his re-appointment as the Executive Director (Finance) designated Key Managerial Personnel of the Company liable to retire by rotation, for a further period of 3 (three) years effective 14<sup>th</sup> August, 2020, subject to approval of the Members at the ensuing Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company by way of Ordinary Resolution, on the remuneration, allowances and perquisites as stated below:

**a) Remuneration** : Basic Salary: ₹ 2,70,000/- (Rupees Two Lakh Seventy Thousand Only) per month, with suitable annual increase as may be decided by the Committee and/or Board of Directors from time to time.

**b) Allowances & Perquisites:** House Rent Allowance@ 30% of the Basic Salary per month. Other allowances and perquisites as per the rules of the Company as applicable from time to time;

*Explanation :* For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.

**c) Minimum Remuneration :** In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of CA Rambhatla Muralidhar (DIN : 00982212) as the Executive Director (Finance) of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Act and be paid as the minimum remuneration,

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time, subject to the provisions of the Act read with Schedule V to the Act.

The terms and conditions of appointment including the remuneration payable to CA Rambhatla Muralidhar are in accordance with and well within the ceiling as laid down under Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Act, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force).

CA Rambhatla Muralidhar is not disqualified from being re-appointed as an Executive Director (Finance) of the Company in terms of Section 164 of the Act and has submitted his consent to act as a Director of the Company.

The Company has also received a self-declaration from CA Rambhatla Muralidhar, to the effect that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

The Company has received notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing the candidature of CA Rambhatla Muralidhar, as the Executive Director (Finance) of the Company.

The Board having considered his qualifications, experience and responsibilities recommends, the resolution at Item No. 9 of the Notice related to the re-appointment of CA Rambhatla Muralidhar as the Executive Director (Finance) of the Company for a further period of three (3) years effective from 14<sup>th</sup> August, 2020 for approval of the Shareholders by way of Ordinary Resolution in the interest of the Company.

The above may be treated as the written memorandum setting out the terms and conditions including remuneration related to the re-appointment of CA Rambhatla Muralidhar, as the Executive Director (Finance) of the Company under Section 190 of the Act.

A brief profile of CA Rambhatla Muralidhar and other requisite details, pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India have been given in the Corporate Governance Report and Board Report which forms an integral part of this Annual Report.

CA Rambhatla Muralidhar, may be deemed to be interested or concerned in the Resolution set out at item No. 9 of the Notice with regard to his appointment. Except CA Rambhatla Muralidhar, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

#### **ITEM NO. 10:**

Mr. Ramchandra Vasant Dalvi (DIN: 00012065), aged about 69 years, graduated as B. Tech (Hons) in Metallurgical Engineering from the IIT, Mumbai. Thereafter, he joined various Steel Industries such as Mukand Limited (1972-2001), Facor Steel (2001-2004) and Vidarbha Iron and Steel Corporation Limited (2004-2011) and gained rich & varied experience in steel and steel making. He has held various positions from Graduate Engineer Trainee to Chief Executive. He was Director (Technical) on the Board of Facor Steel Limited during 2004-2011. He joined Sunflag in the year 2015 as the Executive Director (Works), and is in-charge of the Company's Steel Plant at Warthi, Bhandara Road in the State of Maharashtra.

Mr. Ramchandra Vasant Dalvi proved himself to be an able administrator with good technical capabilities, team leader and contributed in the overall growth of the Company through prudent technical knowledge. He was appointed by the Members of the Company at the 31<sup>st</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017 in terms of recommendations of the Nomination and Remuneration Committee and the Board of Directors at their meetings held on 14<sup>th</sup> August, 2017, as the Whole-time Director, designated as the Executive Director (Works) of the Company for a period of Three (3) Years effective from 14<sup>th</sup> August, 2017, accordingly, his existing term expires on 13<sup>th</sup> August, 2020.

Based on the performance evaluation of the Executive Director (Works), his unstinted efforts and wide contributions made in the progress of the Company and considering his knowledge of various aspects relating to the operations and technical affairs of the Company and long experience and as per the recommendation of the Nomination and Remuneration Committee of the Board at its 45<sup>th</sup> meeting held on 26<sup>th</sup> June, 2020, the Board considers that the continued association of Mr. Ramchandra Vasant Dalvi would be beneficial to the Company and it is desirable to continue to avail his services as the Executive Director (Works).

Further as per Section 196(3) of the Companies Act, 2013 ('Act'), no Company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who is below the age to twenty-one years or has attained the age of seventy years unless the appointment/continuation is approved by the shareholders by way of Special Resolution. As Mr. Ramchandra Vasant Dalvi is 07-12-1950 born and will attain the age of Seventy (70) years on 07-12-2020 i.e. during his proposed new tenure, the Board has considered and recommend for the approval of his proposed re-appointment by the shareholders by way of Special Resolution in the General Meeting.

The Board of Directors at its 178<sup>th</sup> meeting held on 26<sup>th</sup> June, 2020, considered and approved his re-appointment as the Executive Director

(Works) designated Key Managerial Personnel, of the Company for a further period of 3 (three) years effective 14<sup>th</sup> August, 2020, subject to approval of the Members at the ensuing Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company by way of Special Resolution, on the remuneration, allowances and perquisites as stated below:

**a) Remuneration** : Basic Salary: ₹ 2,00,000/- (Rupees Two Lakh Only) per month, with suitable annual increase as may be decided by the Committee and/or Board of Directors from time to time.

**b) Allowances & Perquisites:** As per the rules of the Company as applicable from time to time. HRA- Nil;

*Explanation : For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.*

**c) Minimum Remuneration** : In the event of loss or inadequacy of profits in any Financial Year during the currency of tenure of service of Mr. Ramchandra Vasant Dalvi (DIN : 00012065) as the Executive Director (Works) of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 and be paid as the minimum remuneration,

with an authority to the Nomination and Remuneration Committee and/or the Board of Directors to modify / alter / revise the terms of re-appointment including payment of remuneration thereof, or any other terms and conditions as it may deem fit and proper, from time to time, subject to the provisions of the Act read with Schedule V to the Act.

The terms and conditions of appointment including the remuneration payable to Mr. Ramchandra Vasant Dalvi are in accordance with and well within the ceiling as laid down under Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Act, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force).

Mr. Ramchandra Vasant Dalvi is not disqualified from being re-appointed as an Executive Director (Works) of the Company in terms of Section 164 of the Act and has submitted his consent to act as a Director of the Company.

The Company has also received a self-declaration from Mr. Ramchandra Vasant Dalvi, to the effect that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

The Company has received notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Ramchandra Vasant Dalvi, as the Executive Director (Works) of the Company.

The Board having considered his qualifications, experience and responsibilities recommends, the resolution at Item No. 10 of the Notice related to the re-appointment of Mr. Ramchandra Vasant Dalvi as the Executive Director (Works) of the Company for a further period of three (3) years effective from 14<sup>th</sup> August, 2020, for approval of the Shareholders by way of Special Resolution in the interest of the Company.

The above may be treated as the written memorandum setting out the terms and conditions including remuneration related to the re-appointment of Mr. Ramchandra Vasant Dalvi, as the Executive Director (Works) of the Company under Section 190 of the Act.

A brief profile of Mr. Ramchandra Vasant Dalvi and other requisite details, pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India have been given in the Corporate Governance Report and Board Report which forms an integral part of this Annual Report.

Mr. Ramchandra Vasant Dalvi, may be deemed to be interested or concerned in the Resolution set out at Item No. 10 of the Notice with regard to his appointment. Except Mr. Ramchandra Vasant Dalvi, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

#### **ITEM NO. 11:**

On recommendation of the Audit Committee, the Board of Directors of the Company, at its meeting held on 26<sup>th</sup> June, 2020 has approved and appointed M/s. G. R. Paliwal & Company, Cost Accountants, Nagpur (Membership No. 7815), as the Cost Auditors of the Company, for the Financial Year 2020-21 ending 31<sup>st</sup> March, 2021, to audit the cost records of the Company at a remuneration of ₹ 2,40,000/- (Rupees Two Lakh Forty Thousand Only) plus applicable taxes (GST) and reimbursement of actual out of pocket expenses, if any.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration as recommended by the Board of Directors, is subject to ratification by the Members of the Company at the ensuing Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company.

None of the Director/s, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution. The Board of Directors of the Company recommends the Ordinary Resolution at Item No. 11 of the Notice for approval of the Members in the interest of the Company.