

20<sup>TH</sup>

# ANNUAL REPORT 2013-2014



**METAL COATINGS (INDIA) LIMITED**

## **CORPORATE INFORMATION**

### **DIRECTORS**

**R. C. Khandelwal**  
**Pramod Khandelwal**  
**A. P. Khandelwal**  
**V. K. Hajela**  
**S. K. Gupta**  
**Neha Gupta**

Chairman  
Managing Director  
Whole-Time Director  
Independent Director  
Independent Director  
Independent Director

### **AUDITORS**

**Vinod Kumar & Associates**  
Chartered Accountants  
909, Chiranjiv Tower, 43, Nehru Place,  
New Delhi-110019

### **BANKERS**

**Canara Bank**  
36-37, Community Centre,  
East of Kailash, New Delhi

### **REGISTERED OFFICE**

912, Hemkunt Chambers,  
89, Nehru Place, New Delhi - 110019.  
CIN: L74899DL1994PLC063387  
Tel No: 011-41808125  
Email Id: info@mcilindia.net  
Website: www.mcil.net

### **WORKS**

- (i) Sector - 45, Meola Maharajpur,  
Faridabad - 121003.
- (ii) 113, HSIIDC Industrial Estate,  
Sector-59, Faridabad - 121004.

### **20<sup>TH</sup> ANNUAL GENERAL MEETING**

Day : Tuesday  
Date : 23<sup>rd</sup> September, 2014  
Time : 10.30 a.m.  
Venue : Robotics Hall, ISKCON Complex  
Sant Nagar Main Road,  
East of Kailash,  
New Delhi-110065

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## METAL COATINGS (INDIA) LIMITED

Registered office: 912, Hemkunt Chambers, 89, Nehru Place, New Delhi – 110 019

CIN: L74899DL1994PLC063387, Website: www.mcil.net,

Email: info@mcilindia.net, Tel: 011-41808125

### **NOTICE OF THE ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Twentieth Annual General Meeting of Metal Coatings (India) Limited will be held at Robotics Hall, ISKCON Complex, Sant Nagar Main Road, East of Kailash, New Delhi-110065 on Tuesday the 23<sup>rd</sup> day of September, 2014 at 10.30 a.m. to transact the following business :

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, and the Profit and Loss Account for the Year ended on that date, and the report of the Directors and Auditors thereon.
2. To re-appoint Mr. A.P. Khandelwal (DIN: 00725775) who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To declare a dividend on equity shares.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

#### **SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**  
“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;  
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
6. To Consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**  
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and rules framed thereunder as read with Schedule IV to the Act, as amended from time to time, Mr. Virendra Kumar Hajela (DIN- 00050661), an existing Independent Director, who has filed with the Company the required declaration as per Section 149(7) of the Companies Act, 2013 that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years w.e.f. 1st April, 2014 to 31st March, 2019, not liable to retire by rotation.”
7. To Consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**  
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and rules framed thereunder as read with Schedule IV to the Act, as amended from time to time, Mr. Satish Kumar Gupta (DIN- 03558083), an existing Independent Director, who has filed with the Company the required declaration as per Section 149(7) of the Companies Act, 2013 that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years w.e.f. 1st April, 2014 to 31st March, 2019, not liable to retire by rotation.”
8. To Consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**  
“**RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Ms. Neha Gupta (DIN: 06948920), who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 13th August, 2014 and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and who has filed with the Company the required declaration as per Section 149(7) of the Companies Act, 2013 that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing her candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years w.e.f. 13th August, 2014 to 12th August, 2019, not liable to retire by rotation.”



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

**“RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule V of the Companies Act, 2013 (“the Act”) and subject to the requisite approval of the Central Government, if any, the consent of the Company be and hereby accorded for payment of remuneration to Mr. Pramod Khandelwal (DIN: 00124082) the Managing Director of the Company by way of salary, perquisites and allowances, for a period of 3 years from 01.04.2014, on terms and conditions, as set out hereunder and as recommended by the Nomination and Remuneration Committee and as approved by the Board of directors of the Company:

- a) Salary: Rs. 6,00,000/- per month.
- b) Benefits, perquisites and allowances as may be determined by the Board from time to time.
- c) Gratuity, Leave Encashment and Provident Fund: As per the rules of the Company.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Pramod Khandelwal, as Managing Director of the Company, the above mentioned remuneration be paid to Mr. Pramod Khandelwal, as minimum remuneration, subject to the approval of Central Government, if necessary.

**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act, 2013 or schedule(s) appended thereto, for the time being in force or any statutory modification or re-enactment thereof and / or any rules or regulations there under.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule V of the Companies Act, 2013 (“the Act”) and subject to the requisite approval of the Central Government, if any, the consent of the Company be and hereby accorded for payment of remuneration to Mr. Ramesh Chander Khandelwal (DIN: 00124085), as Whole-Time Director of the Company by way of salary, perquisites and allowances, for a period of 3 years from 01.04.2014, on terms and conditions, as set out hereunder and as recommended by the Nomination and Remuneration Committee and as approved by the Board of directors of the Company:

- a) Salary: Rs. 6,00,000/- per month.
- b) Benefits, perquisites and allowances as may be determined by the Board from time to time.
- c) Gratuity, Leave Encashment and Provident Fund: As per the rules of the Company.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Ramesh Chander Khandelwal, as Whole-Time Director of the Company, the above mentioned remuneration be paid to Mr. Ramesh Chander Khandelwal, as minimum remuneration, subject to the approval of Central Government, if necessary.

**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act, 2013 or schedule(s) appended thereto, for the time being in force or any statutory modification or re-enactment thereof and / or any rules or regulations there under.”

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

**“RESOLVED THAT** pursuant to the provisions of section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof, for the time being in force), the new draft Articles as contained in the Articles of Association placed before the meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**For and on behalf of the Board of Directors**

Date : 13.08.2014  
Place : New Delhi

(Anu Kumari)  
Company Secretary

**NOTES:**

1. **A member entitled to attend and vote 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. Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in the aggregate not more than ten percent of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument of the proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report.**
2. An explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 20<sup>th</sup> September, 2014 to Tuesday 23<sup>rd</sup> September, 2014 (both days inclusive) for the purpose of payment of dividend for the Financial Year ended 31st March, 2014 and the Annual General Meeting.
5. The final dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2014 as recommended by the Board, if approved by the members, will be paid within a period of thirty (30) days from the date of declaration of dividend, to those members whose names appear in the Register of Members of the Company as on close of business hours on Friday, 19th day of September, 2014.
6. Members are requested to notify immediately any change in their address to the Company / Registrars and Transfer Agents of the Company.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
8. As a measure of economy, copies of Annual Report will not be distributed at the venue of the Annual General Meeting. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Relevant documents referred to in the accompanying notice and the statements are open for inspection by the members at the Registered Office of the Company on all working days except Saturday between 11.00 am to 1.00 pm up to the date of Annual General Meeting.
11. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts, Members holding shares in physical form can submit their PAN to the Company / Registrars and Transfer Agents of the Company.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrars and Transfer Agents of the Company, for consolidation into a single folio.
14. Non-Resident Indian Members are requested to inform to the Registrars and Transfer Agents of the Company : (a) Change in their residential status on return to India for permanent settlement (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. Pursuant to the Provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or Unclaimed dividends for the financial year 2005-06, on due date, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. 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 details of the unpaid and unclaimed amounts lying with the Company as on September 23, 2013 (date of last Annual General Meeting) on the website of the Company ([www.mcil.net](http://www.mcil.net)), as also on the website of the Ministry of Corporate Affairs.
16. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
17. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the depository. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.



18. The Notice of AGM, Annual Report, attendance slip and proxy form are being sent in electronic mode to members whose e-mail addresses are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance slip are being sent to those members who have not registered their e-mail addresses with the Company or Depository Participant(s). Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance slip and submit a duly filled in Attendance slip at the registration counter to attend the AGM.

**19. Voting through electronic means**

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, the Company is pleased to provide to the Members the facility of voting through electronic means, as an alternate, to enable them to cast their votes electronically and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on August 22, 2014 (cut-off-date).

The instructions for members for voting electronically are as under:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID.
  - (a) For CDSL: 16 digits beneficiary ID,
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

|                        | <b>For Members holding shares in Demat Form and Physical Form</b>   |
|------------------------|---|
| PAN*                   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. For example: If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field.</li><li>Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/NSDL client i.d. For example: in case of name is Rahul Mishra and Demat A/c No. is 1205870000001234 then default value of PAN is 'RA00001234.</li></ul> |
| DOB#                   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"><li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>number of shares held by you as on the cut off date in the Dividend Bank details field.</b></li></ul>  |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.





- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of "Metal Coatings (India) Limited" to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
20. The e-voting period begins on Wednesday, 17th September, 2014 (9.00 a.m.) and ends on Friday, 19th September, 2014 (6.00 p.m.). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22 August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
21. In case the members have any queries or issues regarding e-voting, they may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
22. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the Record Date.
23. The Company has appointed Mr. Hemant Kumar Singh, Company Secretary, of M/s Hemant Singh & Associates, Company Secretaries as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
24. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
25. The Notice along with the Annual Report for the Financial Year 2013-14 will also be available on the Company's Website [www.mcil.net](http://www.mcil.net) for download.
26. The results shall be declared on or after the Meeting (AGM) of the Company. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.mcil.net](http://www.mcil.net) and on the website of CDSL within two (2) working days of passing of the resolutions at the Meeting (AGM) of the Company and communicated to the Stock Exchanges where the equity shares of the Company are listed viz. BSE Ltd.

**For and on behalf of the Board of Directors**

**Date : 13.08.2014**  
**Place : New Delhi**

**(Anu Kumari)**  
**Company Secretary**

**STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")**

The following statement sets out all material facts relating to the special business mentioned in the accompanying Notice:

**ITEM NO. 5**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at a consolidated remuneration of Rs. Thirty Five Thousand Only plus travelling expenses and applicable taxes.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

**ITEM NO. 6**

Mr. Virendra Kumar Hajela is a Non Executive Independent Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Virendra Kumar Hajela being eligible for appointment, is proposed to be appointed as an Independent Director of the Company for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing the candidature of Mr. Virendra Kumar Hajela for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Virendra Kumar Hajela the following:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and
- iii. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Virendra Kumar Hajela as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Virendra Kumar Hajela, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Virendra Kumar Hajela in the capacity of Independent Director.

No Director, key managerial personnel or their relatives, except Mr. Virendra Kumar Hajela, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 6 for approval of the Members.

**ITEM NO. 7**

Mr. Satish Kumar Gupta is a Non Executive Independent Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Satish Kumar Gupta being eligible for appointment, is proposed to be appointed as an Independent Director of the Company for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing the candidature of Mr. Satish Kumar Gupta for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Satish Kumar Gupta the following:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and
- iii. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.





The resolution seeks the approval of members for the appointment of Mr. Satish Kumar Gupta as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Satish Kumar Gupta, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Satish Kumar Gupta in the capacity of Independent Director.

No Director, key managerial personnel or their relatives, except Mr. Satish Kumar Gupta, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No.7 for approval of the Members.

**ITEM NO. 8**

Ms. Neha Gupta was appointed as an Additional Director by the Board with effect from 13th August 2014, pursuant to Section 161 of the Companies Act, 2013, Ms. Neha Gupta will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing the candidature of Ms. Neha Gupta for the office of independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Ms. Neha Gupta the following:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and
- iii. A declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Ms. Neha Gupta as an Independent Director of the Company up to 12th August, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. She is not liable to retire by rotation.

In the opinion of the Board, Ms. Neha Gupta, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and she is independent of the Management.

Ms. Neha Gupta does not hold any Equity Shares of the Company.

No Director, key managerial personnel or their relatives, except Ms. Neha Gupta, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 8 for approval of the Members.

**ITEM NOS. 9 & 10**

The Company at its Annual General Meeting dated September 23<sup>rd</sup>, 2013, had re-appointed Mr. Ramesh Chander Khandelwal as Whole-Time Director and Mr. Pramod Khandelwal as the Managing Director of the Company for a period of five years with effect from Oct 1<sup>st</sup>, 2013, each on the remuneration as set out hereunder:

- a) Salary: Rs. 6,00,000/- Per Month.
- b) Benefits, perquisites and allowances as will be determined by the Board from time to time.
- c) Gratuity, Leave Encashment and Provident Fund: As per the rules of the Company.

The remuneration, as aforesaid, to Mr. Ramesh Chander Khandelwal as Whole-Time Director and Mr. Pramod Khandelwal as the Managing Director of the Company was subject to the approval of Central Government in accordance with the relevant provisions of the Companies Act, 1956 read with Schedule XIII to the said Act. The Central Government had approved the above remuneration to Mr. Ramesh Chander Khandelwal and Mr. Pramod Khandelwal upto 31<sup>st</sup> March, 2014 commencing from Oct 1<sup>st</sup>, 2013.

In view of valuable contributions made by Mr. Pramod Khandelwal and Mr. Ramesh Chander Khandelwal in managing the affairs of the Company, for the sake of continuity of the present management and for efficient running of the Company and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company, at their meeting held on 13<sup>th</sup> August, 2014 has under the provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, approved the remuneration of Mr. Pramod Khandelwal, Managing Director and Mr. Ramesh Chander Khandelwal, whole-time director of the Company, for a period of three years with effect from April 01, 2014, on the terms and conditions as set out in the resolution(s). These remunerations are subject to the approval of Members of the Company by way of Special Resolution and Central Government, if necessary.



In the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of above mentioned Directors, the remuneration as mentioned in the resolution(s), shall be paid to them, as minimum remuneration, subject to the approval of Central Government, if necessary.

The payment of remuneration, as aforesaid, to the Directors is subject to the approval by the shareholders in the General Meeting and the Central Government, if necessary, in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act. The resolution(s) set out in the notice are intended for this purpose.

The particulars required to be disclosed in the explanatory statement in accordance with provisions of Section II of Part II of Schedule V of the Companies Act, 2013, are enclosed in a separate statement and forms a part of this notice.

Mr. A. P. Khandelwal, Director of the Company is deemed to be interested in the proposed resolution of the remuneration of Mr. Pramod Khandelwal, Managing Director of the Company.

The Board recommends the special resolution(s) set forth at item Nos. 9 & 10 of the Notice for the approval of the members.

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

The existing Articles of Association of the Company is based on the Companies Act, 1956. The references to specific sections of the Companies Act, 1956, in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

Considering that substantive sections of the Companies Act, 2013 which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder by way of adoption of Table F of Schedule I of the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

#### **STATEMENT, PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 WITH RESPECT TO ITEM NOS. 9&10 OF THE NOTICE:**

##### **I. General Information**

1. Nature of Industry:

The Company is engaged in the manufacture and sale of Cold Rolled Steel Coils/Strips, H.R. Pickled & Oiled Coils / Strips.

2. Date or expected date of commercial production:

The Company is already into commercial production and started its business from February 09, 1995.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial performance based on given indicators:

The financial performance of the Company in last three years is as under:

(Rs. in lacs)

| Financial Parameter               | Years Ended              |          |           |
|-----------------------------------|--------------------------|----------|-----------|
|                                   | 2011 - 12<br>(15 Months) | 2012- 13 | 2013 - 14 |
| Gross Sales/operational Income    | 13274.38                 | 11282.95 | 12204.31  |
| Net Profits / (Loss) (Before Tax) | 261.09                   | 221.50   | 256.38    |
| Dividend %                        | 10%                      | -        | 10%       |

5. Foreign investments or collaborators, if any:

The Company does not have any foreign collaboration.

##### **II. Information about the appointees:**

1. **Background details**

Mr. Pramod Khandelwal

Mr. Pramod Khandelwal, aged 48 years is a Chartered Accountant having 25 years entrepreneurial and industrial experience including 5 years in a Multinational Company. He looks after Commercial, Financial and Marketing functions of the Company, besides leading new ventures.

Mr. Ramesh Chander Khandelwal

Mr. Ramesh Chander Khandelwal, aged 63 years is a Mechanical Engineer having more than 41 years of industrial experience. During his tenure he has served as key Executive in different institutions / companies. He looks after the Technical and Manufacturing Operations.