



PRABHU STEEL INDUSTRIES LIMITED



41ST ANNUAL REPORT
2013-2014



PRABHU STEEL INDUSTRIES LIMITED

COMPANY REGN. NO : U28100MH1972PLC015817

ANNUAL REPORT 2013 - 2014

REGISTERED OFFICE
OLD MOTOR STAND,
ITWARI, NAGPUR – 440 008
MAHARASHTRA

BOARD OF DIRECTORS
MR. HARISH AGRAWAL
MR. RADHESHYAM AGRAWAL
MR. KRISHAN KUMAR AGRAWAL
MR. DINESH AGRAWAL

AUDITORS
LALIT JHAM & CO.
CHARTERED ACCOUNTANTS
NAGPUR



NOTICE TO MEMBERS

NOTICE is hereby given that 42nd Annual General Meeting of the members of **PRABHU STEEL INDUSTRIES LIMITED** will be held on Tuesday, 30th September 2014 at 11.00 A.M at registered office of the company Old Motor Stand, Old Bhandara Road, Itwari, Nagpur 440-008, to transact the following business :

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Directors Report and Audited Balance sheet and profit and loss Account of the Company for the year ended 31st March 2014 together with the Auditors Report thereon.
- 2) To appoint a Director in place of Mr. Dinesh Agrawal who retires by rotation and being eligible, offers himself for re- appointment.
- 3) To consider if thought fit, to pass with or without modification the following resolution as an ordinary resolution.

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, **M/s. Lalit Jham & co.,** Chartered Accountants No.FRN 114158w, be and is hereby reappointed as Auditors of the Company continues as auditor of the company, to hold office from the conclusion of this Annual General Meeting (42nd AGM) till the conclusion of the 45th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

- 4) 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 provision of Section 14 and all other provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this 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 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.”

- 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 Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Mr.Radheshyam Agrawal,** (holding DIN -291080), Director of the Company who has submitted a declaration that meets the criteria for



independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

- 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 Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Mr. Krishan Kumar Agrawal (holding DIN 291076)**, Director of the Company who has submitted a declaration that meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY TO BE EFFECTIVE, SHOULD LODGE THE PROXY FORM AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. Pursuant to provision of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Proxies submitted on behalf of the Company, societies must be supported by appropriate resolution/authority, as applicable.
- (b) The Register of Members and the Share Transfer Book of the Company will remain closed from Thursday 25th September, 2014 to Tuesday 30th September, 2014 (both days are inclusive). Members are requested to kindly notify the Company of any change in their addresses so as to enable the Company to address future communication to their correct addresses.
- (c) Shareholders are requested to bring their copies of annual report to the annual general meeting.
- (d) A member desirous of seeking any information on the accounts or operation of the company is requested to forward his/her query to the company at least seven working days prior to the date of meeting, so required information can be made available at the meeting.
- (e) Green initiative in Corporate Governance: The Government of India, Ministry of Corporate Affairs (MCA) vide its circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 has taken a “Green Initiative” and has allowed companies to make services of documents including Annual Report, Audited Financial Statements, Director’s Report, Auditor’s Report, etc. to the members through the electronic mode, to the registered email addresses of the members. This is a golden opportunity to contribute to our Nation at large. All you have to do is to register your e-mail address with the Company to receive communication through the electronic mode.

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



- (a) holding shares in physical form can submit their PAN to the Company/System Support Services.
- (b) Members who have not registered their e-mails 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.
- (c) Voting through Electronic means

I. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL).

The instructions for e-voting are as under:

- i. Open your web browser during the voting period, from 29th September, 2014 (9.30 a.m) to 29th September, 2014 (5.30 p.m) and log on to the e-voting website www.evotingindia.com.
- ii. Click on "Shareholders" tab.
- iii. Select the Electronic Voting Sequence Number – "EVS" along with the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- iv. Fill up the following details in the appropriate spaces:

	For members holding shares in Demat Form	For members holding shares in Phys
User-ID	For CDSL: 16 digits beneficiary ID	Registered Folio Number
Password <ul style="list-style-type: none"> For Shareholders who have voted before on CDSL's e-voting system. For Shareholders using the system for the first time 	Enter your existing password Enter the Unique password printed on the attendance slip	Enter the Unique password printed on the attendance slip
PAN or Default Number*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department	Enter the Default Number 12345

* Members who have not updated their PAN with the Company/Depository Participant are requested to use 'DEFAULT NUMBER' in the PAN field.

- v. After entering these details, click on "SUBMIT".
- vi. Members holding shares in Physical form will be redirected to the voting screen.

Members holding shares in Demat form will now reach Password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z),



- i. one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is to be also used by the Demat holders for voting resolution(s) 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.
 - ii. You can update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CSDL e-voting system in future.
 - iii. Members holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any other company, must use their existing login id and password.
 - iv. For Members holding shares in Physical form, the password and default number can be used only for e-voting on the resolution contained in this Notice.
 - v. On the voting page, you will see Resolution with its description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding, otherwise your vote will not be counted.
 - vi. Click on the Resolution File link if you wish to view the entire Notice.
 - vii. 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.
 - viii. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - ix. Institutional members (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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at lalitjham@yahoo.com or busicomp@vsnl.com with a copy marked to helpdesk.evoting@cdslindia.com
 - x. In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com or busicomp@vsnl.com
- II. The e-voting period commences on 29th September, 2014 (9.30a.m) and ends on 29th September, 2014 (5.30 p.m). During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date: 29nd August, 2014, may cast their vote electronically.
- III. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of 22nd August, 2014.



- IV. **M/s. Lalit Jham & co.** Statutory Auditor (**Membership No. FRN 040501**) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. 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 favor or against, if any, forthwith to the Chairman of the Company.
- VI. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

By Order of the Board
For PRABHU STEEL INDUSTRIES LIMITED .

Harish Agrawal
DIRECTOR
DIN 291083

Dinesh Agrawal
DIRECTOR
DIN 291066

Registered Office

Old Motor Stand,
Old Bhandara Road, Itwari,
Nagpur 440-008,
Dated: 31st May, 2014

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to certain Ordinary Business and all Special Businesses mentioned in the accompanying Notice:

Item No. 3

This explanatory statement is provided though strictly not required as per section 102 of the Act.

As per the provisions of section 139 of the Act, no company can appoint or re-appoint an audit firm as auditor for more than five consecutive years. Section 139 of the Act has also provided for compliance from the date of commencement of the Act. In view of the above, M/s. Lalit Jham & co., Chartered Accountants No.FRN 114158w being eligible for re-appointment, the Board of Directors has, at its meeting, proposed the reappointment of M/s. Lalit Jham & co., Chartered Accountants No.FRN 114158w as the statutory auditors of the Company for a period of Three years to hold office from the conclusion of this AGM till the conclusion of the 45th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution at Item No3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

Item No. 4

The Articles of Association "AOA" of the Company as presently in force was adopted at the time of incorporation of the Company. The existing AOA are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

The Act is now largely in force and with the coming into force of the Act several regulations of the existing AOA of the Company require alteration or deletion in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles based on Table F of the Act as applicable to Private Limited Company limited by shares.

Thus, It is proposed to adopt new set of AOA of the Company as mentioned in the Resolution. A copy of new set of Articles of Association of the Company is available for inspection by the members of the Company at its registered office between 11.00 a.m. to 4.30 p.m. on any working day.

None of the Directors of the Company or their relatives or Key Managerial Persons of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolutions set out in at Item No. 4 of the Notice.