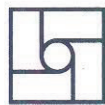


53rd
Annual
REPORT

2013-2014



SHARDA ISPAT LIMITED
NAGPUR



SHARDA ISPAT LIMITED, Nagpur

BOARD OF DIRECTORS

SHRI N. K. SARDA	: Chairman & Managing Director
SMT POONAM SARDA	: Whole Time Director & CFO
SHRI H. K. DASS	: Independent Director
SHRI R. P. MOHANKA	: Independent Director
SHRI RAMESH MANTRI	: Independent Director

AUDITORS

: LOYA BAGRI & CO.
Chartered Accountants,
Gandhibagh, Nagpur - 440002

INTERNAL AUDITOR

: M. M. JAIN
Chartered Accountants,
Kingsway, Nagpur - 440 001.

BANKERS

: NAGPUR NAGRIK SAHAKARI BANK LTD.

REGISTERED OFFICE

: Kamptee Road, Nagpur - 440026

PLANT

: Kamptee Road, Nagpur - 440026

ADDRESS FOR CORRESPONDENCE TO SHARE DEPARTMENT

: **M/s. Adroit Corporate Services Pvt. Ltd.**
19/20, Jaferbhoy Industrial Estate,
Makwana Road, Marol Naka,
Marol, Andheri (E),
Mumbai - 400 059

WEBSITE

: www.shardaispat.com

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 53rd Annual General Meeting of the Members of **SHARDA ISPAT LIMITED** will be held on Monday, the 29th day of September, 2014 at 10.00 a.m. at the Registered Office of the Company at Sharda Ispat Limited Office Premises, Kamptee Road, Nagpur 440 026 to transact the following business:

ORDINARY BUSINESS:

1) Adoption of Accounts

To receive, consider and adopt the Audited Statement of Profit & Loss Account for the year ended 31.03.2014 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.

2) Re-appointment of Smt. Poonam Sarda :

To appoint Director in place of Smt. Poonam Sarda (DIN: 00190512) who retires by rotation at this meeting and being eligible, offers herself for re-appointment.

3) Appointment of Auditors:

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

"RESOLVED THAT pursuant to the provisions of Sections 139 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act, if any and the Rules framed there under as amended from time to time, M/s Loya Bagri & Co., Chartered Accountants, Nagpur (ICAI Firm Registration No. 105658W) be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of fifty-fourth AGM of the Company to be held in the year 2015, at such remuneration, as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4) Appointment of Shri. H K Dass as an Independent Director:

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-



"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 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 Clause 49 of the Listing Agreement, Shri. H.K. Dass (DIN: 00419983), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 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 5 (five) consecutive years for a term up to the conclusion of the 58th Annual General Meeting of the Company in the calendar year 2019."

5) **Appointment of Shri. R. P. Mohanka as an Independent Director:**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 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 Clause 49 of the Listing Agreement, Shri. R. P. Mohanka (DIN: 00235850), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 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 5 (five) consecutive years for a term up to the conclusion of the 58th Annual General Meeting of the Company in the calendar year 2019."

6) **Appointment of Shri. Ramesh Mantri as an Independent Director:**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 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 Clause 49 of the Listing Agreement, Shri. Ramesh Mantri (DIN: 00414931), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 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 5 (five) consecutive years for a term up to the conclusion of the 58th Annual General Meeting of the Company in the calendar year 2019."

7) Payment of Remuneration to the Cost Auditor for the Financial Year ending March 31, 2015 :

To consider and if thought fit, to pass with or without modification, if any, 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 ("Act") and Rules framed there under, as amended from time to time and such other permissions as may be necessary, the Members hereby ratify the remuneration of Rs. 30,000/- payable to M/s Narendra Peshne and Associates, Cost Accountants, who are appointed by the Board of Directors of the Company to conduct audit of the Cost records pertaining to steel products maintained by the Company for the Financial Year ending March 31, 2015."

"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."

8) Authorization to Board for Borrowings:

To consider and if thought fit, to pass with or without modification, if any, the following resolution as a special Resolution:-

"RESOLVED THAT in supersession of the resolution passed by the Company in the Annual General Meeting held on 30.09.2011, in relation to the exercise of borrowing power, and pursuant to the provisions of section 180(1)(c) and the rules made there under (including any statutory modification or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to exercise the powers to borrow money from time to time up to a limit of not exceeding in the aggregate Rs. 200.00 Crores (Rupees Two Hundred Crores only) notwithstanding that the money to be borrowed, together with money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."



9) **Alteration of Articles of Association:**

To consider and if thought fit, to pass with or without modification, if any, the following resolution as a special Resolution:-

“RESOLVED THAT pursuant to section 14 of the Companies Act, 2013 and other applicable provisions, if any, the Articles of Association of the Company be altered in the following manner:

- i) The existing Article 27 of the Articles of Association of the company, be replaced by the following new Article 27

Art. 27 : A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a director for the purpose of determining retirement of Directors by rotation or in fixing the number of Directors to retire, but subject to the provisions of any contract between him and the Company he shall be subject to the provisions as to resignation and removal as the director of the Company and he shall 'ipso-facto' and immediately, cease to be a Managing Director if he ceases to be a Director for any cause.

- ii) After the existing Article 27 of the Articles of Association of the company, the following new Article be inserted and the same be numbered as Article 28:

Art. 28: The same person may, at the same time, be appointed as the Chairperson of the Company as well as Managing Director or Chief Executive Officer of the company.

- iii) The existing Articles bearing numbers (28), (29), (30), (31) and (32) be re-numbered as (29), (30), (31), (32) and (33) respectively.

Registered Office :
Kamptee Road,
Nagpur 440026
(CIN : L74210MH1960PLC011830)
Website : www.shardaispat.com

Date : 11.08.2014

By Order of the Board of Director,

N.K.Sarda
Chairman & Managing Director

**NOTES :**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent 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 a proxy for any other person or a Member.

- 2) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the business under Item Nos. 4 to 9 set out above 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 authorising their representative to attend and vote in their behalf at the Meeting.
- 4) The Register of Members and Share Transfer Books of the company will remain closed from 26.09.2014 to 29.09.2014 (both days inclusive)
- 5) The shareholders holding shares in physical mode are requested to intimate the changes, if any, in their registered address, Bank mandate i.e. name of bank, branch address, account number, MICR/IFS Code to the Company and/or R & T Agent, or their respective Depository Participants (DPs), if the shares are held in demat mode.
- 6) As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
- 7) 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 Company's R & T Agent, for consolidation into a single folio.
- 8) SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission/transposition of shares. Members are requested to submit the PAN details to their Depository Participant in case of holdings in dematerialized form and to the Company's R & T Agent, mentioning your correct reference folio number in case of holdings in physical form.
- 9) In compliance with the provisions of Section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The e-voting period commences on Monday, September 22, 2014 (9:00 a.m.(IST) and ends on Wednesday, September 24, 2014 (6:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut off date, August 29, 2014 (record date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



The instructions for members for voting electronically are as under:

In case of Members receiving e-mail:

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the demat account /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 number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000001 in the PAN field.
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>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 the number of shares held by you as on the cut off date in the Dividend Bank details field.</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take 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 'www.evotingindia.co.in' 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'.
 - 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' 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.

In case of Members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Monday, September 22, 2014 at 9:00 a.m. IST and ends on Wednesday, September 24, 2014 at 6:00 p.m. IST. During this period, shareholders' of the Company, holding shares as on Friday, August 29, 2014, (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at 'www.evotingindia.co.in' under help section or write an email to 'helpdesk.evoting@cdslindia.com'.



Members may alternatively cast their votes using the Ballot Form which is sent along with this Notice and is also available on the website of the Company.

Pursuant to clause 35B of the listing agreement, members may fill in the Ballot Form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer, Shri. Swastik Jain, Practicing Chartered Accountant, C/o. Sharda Ispat Limited, Kamptee Road, Nagpur 440 026 Maharashtra, so as to reach by 6.00 p.m. on September 24, 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.

The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) i.e. August 29, 2014.

The Scrutinizer will within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock 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 Company.

The Results will be declared at the 53rd Annual General Meeting of the Company.

- 10) To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
- 11) Shri. Swastik Jin, Practicing Chartered Accountant, has been appointed as the Scrutinizer to scrutinize the e-voting process and physical ballot, in a fair and transparent manner.
- 12) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.shardaispat.com and on the website of CDSL www.evoting.cdsi.com within 2 (two) days of passing of the resolutions at the 53rd AGM of the Company on September 29, 2014 and communicated to the BSE Limited and Ahmadabad Stock Exchange/ Pune Stock Exchange, Calcutta Stock Exchange, where the shares of the Company are listed.
- 13) The Members / Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
- 14) Since the securities of the Company are already admitted on both the depositories i.e National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) the members have got option for dematerializing their shares.
- 15) Members are requested to make all correspondence relating to physical shares, transfer of shares, dematerialization of shares, bank mandate, registration of e-mail address to R & T Agent of the Company at the following address :

ADROIT CORPORATE SERVICES PRIVATE LIMITED

19/20, Jaferbhoy Industrial Estate, Makwana Road,
Marol Naka, Marol, Andheri (E), Mumbai 400 059