



37th Annual Report 2016-17

VALLABH STEELS LIMITED



VALLABH STEELS LIMITED

BOARD OF DIRECTORS

| | |
|------------------------|------------------------------|
| Mr. Kapil Kumar Jain | Chairman & Managing Director |
| Mr. Vijay Kumar Sharma | Independent Director |
| Mr. Suman Jain | Independent Director |
| Mrs. Sunita Maggu | Independent Director |

CHIEF FINANCIAL OFFICER

Mr. Suresh Gupta

COMPANY SECRETARY

Ms. Pallavi Khurana

STATUTORY AUDITORS

M/s. Raj Gupta & Co.
Chartered Accountants
549/10, Sutlej Tower, Opp. Petrol Pump,
Near Fountain Chowk, Ludhiana - 141 001

BANKERS

Punjab National Bank
Large Corporate Branch
Bhagwati Tower, R.K. Road,
Ludhiana-141 003

Oriental Bank of Commerce
Overseas Branch
Jandu Tower,
Ludhiana-141 003

REGISTERED OFFICE

G.T. Road, Pawa, Sahnewal,
Ludhiana - 141 120 (Punjab)
(CIN : L27109PB1980PLC004327)
E-mail ID : fin.ho@vallabhgroup.com
Website : www.vallabhgroup.com

WORKS

G.T. Road, Nandpur, Sahnewal, Ludhiana-141 120 (Punjab)

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VALLABH STEELS LIMITED

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the members of Vallabh Steels Limited will be held at Registered Office of the company at G.T. Road, Village Pawa, Sahnewal, Ludhiana on Thursday, the 28th September, 2017 at 10.00 A.M. to transact the following business:-

AS ORDINARY BUSINESS

1. Adoption of Financial Statements:

To receive, consider and adopt the audited Balance Sheet as at 31st March, 2017, the Audited Financial Statements of the Company for the financial year ended on that date and the Reports of Auditors and Directors thereon.

2. Appointment of Mr. Kapil Kumar Jain as a director liable to retire by rotation:

To appoint a Director in place of Mr. Kapil Kumar Jain (DIN: 00755228), who retires by rotation and, being eligible, offers himself for re-appointment.

3. Appointment of Auditors:

To appoint Statutory Auditors and to fix their remuneration and in this regard to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**:

"Resolved That pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby appoints M/s. K R Aggarwal & Associates (Firm Registration No. 030088N), Chartered Accountants as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 42nd Annual General Meeting of the Company, at such remuneration as may be decided by the Board of Directors in consultation with the Auditors plus taxes and actual out of pocket expenses incurred by them in connection with aforesaid audit."

AS SPECIAL BUSINESS

4. Approval of remuneration of Cost Auditor:

To approve and to ratify the remuneration of cost auditor and in this regard to consider and if thought fit, to pass with or without modifications, if any, the following resolution as an Ordinary Resolution:

"Resolved That pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration to M/s. Meenu & Associates, Cost Accountants (having Firm Registration No. 100729), 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, 2018, of Rs. 30,000/- (Rupees Thirty Thousand Only) plus taxes and reimbursement of actual out of pocket expenses in connection with the aforesaid audit be and is hereby approved."

"Resolved Further That the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Appointment of Secretarial Auditor:

To approve the appointment of the Secretarial Auditor for the financial year ending March 31, 2018 and in this regard to consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an Ordinary Resolution:

"Resolved That pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the consent of the Company be and is hereby accorded to the Board of Directors ("the Board") for appointment of M/s. RCS & Company, Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2017-18 on such remuneration as may be mutually decided by the Board and the Secretarial Auditors plus taxes and actual out of pocket expenses incurred by them in connection with aforesaid audit."

"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."



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6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for regularization of Mr. Vijay Kumar Sharma as Director of the Company:

"Resolved That Mr. Vijay Kumar Sharma (having DIN 01007456), who was appointed as an Additional Director with effect from September 30, 2016 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointment of Mr. Vijay Kumar Sharma as an Independent Director:

"Resolved That pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Vijay Kumar Sharma (having DIN 01007456), Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of his appointment and that he shall not be 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 for regularization of Mrs. Sunita Maggu as Director of the Company:

"Resolved That Mrs. Sunita Maggu (having DIN 07556766), who was appointed as an Additional Director with effect from September 30, 2016 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit, proposing her candidature for the office of a director, be and is hereby appointed as a director of the Company."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointment of Mrs. Sunita Maggu as an Independent Director:

"Resolved That pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mrs. Sunita Maggu (having DIN 07556766), Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of her appointment and that she shall not be liable to retire by rotation."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for regularization of Mr. Suman Jain as Director of the Company:

"Resolved That Mr. Suman Jain (having DIN 07841463), who was appointed as an Additional Director with effect from June 06, 2017 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a director, be and is hereby appointed as a director of the Company."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointment of Mr. Suman Jain as an Independent Director:

"Resolved That pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Suman Jain (having DIN 07841463), Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of his appointment and that he shall not be liable to retire by rotation."

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : LUDHIANA
DATED: 25.08.2017

Sd/-
(KAPIL KUMAR JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN: 00755228



VALLABH STEELS LIMITED

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed herewith and forms part of this notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXY FORM, IN ORDER TO BE EFFECTIVE, DULY COMPLETED, STAMPED AND SIGNED, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.**
A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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 A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Corporate Members intending to send their authorized representative(s) to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the Board Resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution 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 Friday, the 22nd September, 2017 to Thursday, the 28th September, 2017 (both days inclusive) on account of Annual General Meeting.
5. Members, Proxies and Authorised representatives are requested to bring to the meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP Id and Client ID/Folio No. (as the case may be).
6. Members holding shares in physical mode are requested to notify the change in their address, if any, at the earliest to the Registrar & Share Transfer Agents of the company. However, members holding shares in electronic mode may notify the change in their address, if any, to their respective Depository Participants (DPs).
7. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956, no amount is pending or lying unpaid or unclaimed for a period of 7 (Seven) years to be transferred to the Investor Education and Protection Fund (IEPF) constituted by Central Government.
8. Members are requested to send their queries on the accounts, if any, so as to reach the Registered Office of the Company at least seven days before the meeting to enable the company to have relevant information ready at the meeting.
9. A brief resume of Directors to be re-appointed, nature of their expertise in specific functional areas, disclosure of relationship between directors inter-se, names of Companies in which the person holds the directorship and the membership of Committees of the board and shareholding of non-executive directors as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the explanatory statement and annexure to this notice.
10. Copy of the Annual Report including notice of the 37th Annual General Meeting (AGM) of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the same is being sent through the permitted mode.
11. Members are requested to bring their copy of Annual Report along with them to the AGM.
12. The Registers maintained under Section 170, 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
13. The facility for voting through ballot or polling paper will also be available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting will be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.



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14. Members may also note that the Notice of the 37th AGM and the Annual Report for the financial year 2016-17 is also available on the Company's website at www.vallabhgroup.com.
15. Members may also note that the equity shares of the company have been included in the list of securities for compulsory trading in dematerialised form under ISIN No. INE457E01016. Shareholders are, therefore, advised to dematerialise their shareholding to avoid inconvenience in future. They are requested to send their Dematerialisation Request Form (DRF) through their Depository Participant (DP).

VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the members facility to exercise their right to vote on resolutions proposed to be considered at the 37th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting service. The facility of casting of votes by the members using an electronic voting system will be provided by National Securities Depository Limited (NSDL).

PROCESS AND MANNER FOR E-VOTING:

The instructions for e-voting are as under:

A. In case of members receiving e-mail from RTA/NSDL (for Members whose e-mail ids are registered with the Company/Depositories):

- i. Open e-mail and open PDF file viz. "VSL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
- ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- iii. Click on "Shareholders" Login.
- iv. Put User Id and password as initial password noted in step (i) above. Click Login.
- v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- vii. Select "EVEN" of "Vallabh Steels Limited" which is 107246 .
- viii. Now you are ready for remote e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to jatinsingal@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case Members receiving the physical copy of Notice of 37th Annual General Meeting (for Members whose e-mail ids are not registered with the Company/Depositories or requesting physical copy):

- a. Initial password is provided in the attendance slip.
- b. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of 'A' above to cast vote.
- c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- d. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- e. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).



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- f. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. Thursday, 21st September, 2017, may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, Mas Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- g. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

C. General Instructions:

- i) The e-voting period shall commence at 9.00 a.m. on Monday, 25th September, 2017 and shall end at 5.00 p.m. on Wednesday, 27th September, 2017. During this period members of the Company, holding shares either in physical or in dematerialised form, as on the record date i.e. Thursday, 21st September, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii) The Company has appointed Mr. Jatin Singal, Practicing Company Secretary (Membership No. ACS – 32448 & C.P. No. 11976) to act as the Scrutinizer to scrutinize the voting at AGM and for e-voting process in a fair and transparent manner.
- iii) The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- iv) The results declared alongwith the report of Scrutinizer shall be placed on the website of the Company at www.vallabhgroup.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him and the same shall be communicated to Stock Exchange.
- v) Members are requested to support the "Green Initiative" by registering their E-mail address with the Company, if not already registered. Those members who have changed their E-mail ID are requested to register their new E-mail ID with the Depository Participant where shares are held in Demat mode and in case the shares are held in physical form, you may register the E-mail ID with the Registrar & Share Transfer Agent of the Company by sending a letter under your Registered Signature at the below mentioned address:
- Mas Services Limited**
T-34, 2nd Floor, Okhla Industrial Area, Phase- II, New Delhi-110020 Phone: 011-26387281-83,
Fax : 011- 26387384, E-mail: info@masserv.com

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : LUDHIANA
DATED : 25.08.2017

Sd/-
(KAPIL KUMAR JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN: 00755228

**ANNEXURE****EXPLANATORY STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 CONCERNING ITEM NOS. 4 to 11 OF SPECIAL BUSINESS (AS PART OF NOTICE):****FOR ITEM NO. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Meenu & Associates, Cost Accountants as the Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018.

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 as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

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. 4 of the Notice.

FOR ITEM NO. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. RCS & Company, Company Secretaries as Secretarial Auditors to conduct the audit of the Company for the financial year 2017-18 pursuant to the provisions of Section 204 of the Act read with rule 9 of the Companies (Appointment and Remuneration personnel) Rules, 2014. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for appointment of the Secretarial Auditors for the financial year ending March 31, 2018.

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.

FOR ITEM NO. 6 & 7

Mr. Vijay Kumar Sharma was appointed as an Additional Director w.e.f. September 30, 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company along with requisite deposit proposing candidature of Mr. Vijay Kumar Sharma for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. Further he has given a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mr. Vijay Kumar Sharma fulfils the conditions as specified in the Act & Rules made thereunder for appointment as Independent Director and he is independent of the management. The Board recommends resolutions under Item Nos. 6 and 7 to be passed as ordinary resolutions.

None of the Directors, except Mr. Vijay Kumar Sharma, the appointee and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

FOR ITEM NO. 8 & 9

Mrs. Sunita Maggu was appointed as an Additional Director w.e.f. September 30, 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company along with requisite deposit proposing candidature of Mrs. Sunita Maggu for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. Further she has given a declaration that she meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mrs. Sunita Maggu fulfils the conditions as specified in the Act & Rules made thereunder for appointment as Independent Director and she is independent of the management. The Board recommends resolutions under Item Nos. 8 and 9 to be passed as ordinary resolutions.

None of the Directors, except Mrs. Sunita Maggu, the appointee and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

FOR ITEM NO. 10 & 11

Mr. Suman Jain was appointed as an Additional Director w.e.f. June 06, 2017 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company along with requisite deposit proposing candidature of Mr. Suman Jain for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. Further he has given a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mr. Suman Jain fulfils the conditions as specified in the Act & Rules made thereunder for appointment as Independent Director and he is independent of the management. The Board recommends resolutions under Item Nos. 10 and 11 to be passed as ordinary resolutions.

None of the Directors, except Mr. Suman Jain, the appointee and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

BY ORDER OF THE BOARD OF DIRECTORS**Sd/-****(KAPIL KUMAR JAIN)****CHAIRMAN & MANAGING DIRECTOR****DIN: 00755228****PLACE : LUDHIANA****DATED : 25.08.2017**


ANNEXURE TO THE NOTICE
DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard]

| | | | | |
|--|--|---|---|---|
| Name of Director | Mr. Kapil Kumar Jain | Mr. Vijay Kumar Sharma | Mrs. Sunita Maggu | Mr. Suman Jain |
| Date of Birth and Age | 12.08.1950, 67 Years | 15.11.1962, 54 Years | 21.03.1977, 40 Years | 12.03.1960, 57 Years |
| Qualification and Experience | Graduate, 44 years | Graduate, 28 years | Graduate, 12 years | Graduate, 34 years |
| Date of Appointment on the Board | 15.03.1992 | 30.09.2016 | 30.09.2016 | 06.06.2017 |
| Relationship with Other directors, Manager, and other Key Managerial Personnel of the Company | Not related to any Director/ Key Managerial Personnel | Not related to any Director/ Key Managerial Personnel | Not related to any Director/ Key Managerial Personnel | Not related to any Director/ Key Managerial Personnel |
| Expertise in Specific Functional Area | Mr. Kapil Kumar Jain has vast experience in Business Management. | Mr. Vijay Kumar Sharma has expertise in Technical Area. | Mrs. Sunita Maggu has experience in dealing with Human Resource Management. | Mr. Suman Jain has experience in general & commercial laws. |
| Names of other Public entities in which the person holds the directorship | Vallabh Textiles Company Ltd. | None | None | None |
| Names of other public entities in which the person holds membership/ Chairmanship of the Committees of the Board | None | None | None | None |
| Shareholding in the Company as on March 31st, 2017 | 2,32,000 shares | None | None | None |
| Number of the Meetings of the Board attended during the year | 10/10 meetings attended | 4/4 meetings attended* | 4/4 meetings attended* | N.A ** |

Note: * Appointment of Mr. Vijay Kumar Sharma & Mrs. Sunita Maggu w.e.f 30.09.2016.

** Mr. Suman Jain has been appointed on 06.06.2017, No Board Meeting attended by him during the year 2016-17.



VALLABH STEELS LIMITED

DIRECTORS' REPORT

To

The Members,

Vallabh Steels Limited

We have pleasure in presenting the 37th Annual Report of the Company alongwith the Audited Statement of Accounts for the year ended 31st March, 2017:

FINANCIAL RESULTS:

| | (Amt. ₹ in Lakhs) | |
|---|-------------------|------------------|
| | Current Year | Previous year |
| Revenue from Operations and Other Income | 11,998.02 | 14,191.95 |
| Profit before Interest, Depreciation and Tax | 836.41 | 646.68 |
| Less : | | |
| Financial Costs | 473.67 | 410.53 |
| Provision for Depreciation | 305.09 | 63.32 |
| Taxes : Current Tax | 9.79 | 33.80 |
| MAT Credit Entitlement | (9.79) | (33.80) |
| Deferred Tax/Earlier year tax adjustment | (15.64) | 36.44 |
| Profit after Tax | 73.29 | 136.39 |

PERFORMANCE REVIEW:

During the year under review, your Company has achieved a total revenue of Rs. 11998.02 lakhs as compared to Rs. 14191.95 lakhs of previous year. The net profit is placed at Rs. 73.29 lakhs as against Rs. 136.39 lakhs of previous year. The decline in total revenue and net profits is attributed to excess global steel capacity resulting in lower demand. However, despite all these negative factors the Company has been able to register a higher profit before interest, depreciation and tax of Rs. 836.41 lakhs as compared to Rs. 646.68 lakhs of the previous year.

The management of the Company is seized of the matter and taking all out effective steps to face the various challenges due to slower economic growth and excess capacity constraints. With the thrust of the Central/State Governments on infrastructure development, it is hoped that steel industry is likely to fare well. Your company expects to register better performance in terms of profits and profitability.

INDUSTRY AND ECONOMIC SCENARIO:

India is the third largest steel producer in the world after China and Japan. In the year 2016, India produced higher finished steel. Driven by rising infrastructure development and growing demand for automobiles, steel consumption is expected to grow in future. The Government of India has allowed 100 percent Foreign Direct Investment (FDI) in the steel sector under automatic route. Due to adverse Global conditions, there has been a large inflow of imports. This has also manifested in a series of price cuts for the domestic steel industry during the year, leading to a squeeze on margins earned by steel producers.

India's prospects are brightening due to low oil prices, the reform momentum and policies to increase infrastructure manufacturing output. India's steel demand is likely to increase in the years to come. Going forward, implementation of policy measures already announced, structural reforms and government investment in infrastructure will be critical to India's economy.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes or commitments or events affecting the financial position of the Company which have occurred after March 31, 2017 till the date of this report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the year under review, there are no changes in the nature of the business of the Company.

SHARE CAPITAL:

The Company's paid up equity share capital as at March 31, 2017 stood at Rs. 4,95,00,000/- comprising of 49,50,000 equity shares of Rs. 10/- each. During the year under review, the Company has not issued any fresh shares.

EXPORTS:

Adverse Global conditions manifested in a sharp contraction of steel and iron exports and despite all efforts made by the management for exports of its products, the company could not register any exports.

DIVIDEND AND RESERVES:

With a view to conserve resources for Company's future requirements, your directors have not recommended any dividend for the year under consideration. During the year under review, a sum of Rs. 25 lakhs has been transferred to General Reserves.

LISTING OF SHARES:

The Equity Shares of the Company are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai. The Company has duly paid the listing fee to BSE Limited, Mumbai upto the Financial Year 2017-18.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits from the Public during the year within the ambit of Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

In accordance with the provisions of Section 152 of the Companies Act, 2013 (Act) and the Company's Articles of Association, Sh. Kapil Kumar Jain, Chairman and Managing Director of the Company (having DIN No. 00755228), retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers himself for re-appointment. The Board of Directors recommends his re-appointment.

During the year under review, the Company appointed Mr. Vijay Kumar Sharma (having DIN No. 01007456) and Mrs. Sunita Maggu (having DIN NO. 07556766) as additional Directors of the Company with effect from September 30, 2016. Their appointments are proposed to be confirmed in the ensuing Annual General Meeting. The details of Directors seeking re-appointment as required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the notice of ensuing Annual General Meeting which is being sent to the shareholders along with Annual Report.