

NOTICE

Notice is hereby given that the 45th Annual General Meeting of the Members of Panchmahal Steel Limited will be held at the Registered Office of the Company situated at GIDC Industrial Estate, Kalol-389 330, Dist. Panchmahal, (Gujarat) on Saturday, the 22nd day of September, 2018 at 10.00 a.m. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Pradeep Sharma (DIN: 00705862), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. 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 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Ashok Malhotra (holding DIN 00120198) as Managing Director of the Company, for a further period of 3 (Three) years with effect from April 1, 2018 on the terms and conditions of appointment and remuneration as set out in the explanatory statement attached hereto and that he be paid remuneration by way of salary, perquisites and allowances as approved by the Board of Directors and the Nomination & Remuneration Committee of the Company.

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Ashok Malhotra and for this purpose the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary."

4. 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(3) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No.00025), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, amounting to Rs.1,50,000/- as also the payment of tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed."

Regd. Office :

GIDC Industrial Estate,
Kalol - 389 330,
Dist. Panchmahals (Gujarat)
CIN : L27104GJ1972PLC002153,
E-mail: shares@panchmahalsteel.co.in

By order of the Board of Directors

Deepak Nagar
GM (Legal) & Company Secretary

Vadodara, 11th August, 2018

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item No. 3 & 4 of the Notice is annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. Pursuant to the provisions 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 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 15th day of September, 2018 to Saturday, the 22nd day of September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
4. Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Members at the 44th Annual General Meeting of the Company held on 21st September, 2017 appointed M/s Atul Parikh & Co, Chartered Accountant (Firm Reg. No.106496W) as statutory auditors of the Company from the conclusion of the 44th Annual General Meeting till the conclusion of 49th Annual General Meeting, covering one term of five consecutive years, subject to ratification by the members at each intervening Annual General Meeting.

The requirement to place the matter relating to appointment of Statutory Auditors for ratification by Members at every Annual General Meeting has been done away with vide notification dated May 7, 2018, issued by the Ministry of Corporate Affairs. Accordingly no resolution is proposed for ratification of appointment statutory auditors of the Company. They are eligible for re-appointment and have given their confirmation that they are not disqualified from continuing as Auditors of the Company.

5. Transfer of Unclaimed/Unpaid Dividend and Shares to IEPF Authority:
 - (a) In terms of the provisions of Section 124(5) and other applicable provisions of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7(seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund set up by the Central Government. Accordingly, the unclaimed dividend in respect of financial year 2010-11 is due for transfer to the said Fund on 31st August, 2018. Members who have not yet encashed their dividend warrant(s) pertaining to the dividend for the financial year 2010-11 onwards, are requested to lodge their claims with the company/or Share Transfer Agents for the same.
 - (b) Attention of Members is invited to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 amended from time to time, which inter alia requires the Company to transfer the equity shares on which the dividend has remained unpaid or unclaimed for a continuous period of seven years, to the Demat Account of Investor Education and Protection Fund Authority ('IEPF Authority').

The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2010-11. The Company has already sent individual communication to all the concerned shareholders at their registered address, whose equity shares are liable to be transferred to Demat Account of the IEPF Authority, to claim the said unclaimed dividend latest by 31st August, 2018 in order to avoid transfer of shares to the IEPF Authority.

Pursuant to the Provisions of Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 21st September, 2017 (the date of the last Annual General Meeting) and details of shares due for transfer to Demat Account of the IEPF

Authority on its website at www.panchmahalsteel.co.in. As required under the IEPF Rules, the Company has also published a Notice informing the Members' to claim their unpaid/unclaimed from the Company before such shares are transferred to IEPF Authority.

The members who have not claimed dividends in respect of financial years from 2010-11 onwards are requested to approach the Company/RTA for claiming the same as early as possible, to avoid transfer of relevant shares to Demat Account of IEPF Authority.

- (c) The Company has transferred the unpaid/unclaimed dividend for the financial year 2009-10 amounting to Rs. 1,89,616/- to the IEPF Authority on 3rd October, 2017.

Further, in accordance with the provisions of Companies Act, 2013 the Company has transferred 59,000 equity shares of Rs.10/- each in respect of 486 shareholders, to the demat account of the IEPF Authority, on 29th November, 2017, in respect of which dividend had not been claimed by the members for seven consecutive years or more as on the cut-off date, i.e. October 31, 2017.

- (d) The members/claimants whose shares and/or unclaimed dividend have been transferred to the IEPF Authority may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in). No claim could be made in respect thereof with the Company. The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.
- (e) Pursuant to the aforesaid provision, the dividend for the years as mentioned hereinbelow shall be transferred to the IEPF on the respective dates, if the dividend remains unclaimed for seven years, and the corresponding shares shall also be transferred to IEPF if dividend is unclaimed for seven consecutive years. The details of Unclaimed Dividend as at 31.03.2018 was as under:

Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount (Rs.)	Due Date for transfer to IEPF Account
2010-11	25.07.2011	2,43,026.00	31/08/2018
2011-12	16.07.2012	2,54,126.00	22/08/2019
2012-13	29.07.2013	1,38,347.00	04/09/2020

6. SEBI has vide notification SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 notified that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed after 5th December 2018, unless the securities are held in the dematerialized form with the depositories. Hence, you will not be able to transfer securities held in physical form, after 5th December, 2018. You are requested to dematerialize your physical securities at the earliest.

In continuation to SEBI's aforesaid Circular, BSE vide its circular dtd. 5th July, 2018 has directed the listed entities to ensure the dematerialization of shares held by public.

In view of the above direction and amended Regulation 40 of LODR Regulations, a letter under Registered/ Speed post is being mailed by the Company/RTA to the holders of physical share certificate(s) appraising them about the amendment and sensitise them about the impact of the regulation on the transfer of shares held by them in physical form w.e.f. December 5, 2018. The Company has also placed information on its website intimating the investors about the proposed change and provided a guidance note on how to dematerialize their shares.

7. SEBI has vide its circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 directed all listed entities that in cases where bank account details of the securities holders are not available with the RTA/ Company or there are changes in the bank account details, the RTA is required to obtain information from the shareholder on such changes.

In view of this, shareholders holding equity shares in physical form are requested to update their record with our Registrar & Share Transfer Agent to enable them to update our record for payment of any future dividend. Those shareholders who are holding shares in demat form are requested to submit the details only to their respective Depository Participants (DP), where they are maintaining their Demat account, at the earliest.

Your Company has initiated steps for registering the PAN details (including joint holders if any) and the BANK ACCOUNT details of all the registered shareholders.

The Members are also requested to intimate all changes pertaining to their mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to RTA/ Depository Participants, which will help the Company and the Company's Registrars and Transfer Agents to provide efficient and better services.

8. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. Members desirous of making a nomination in respect of their shareholding, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form SH 13 (Nomination Form) & SH 14 (Cancellation or Variation of Nomination) accordingly to the Company or to the office of the Registrar & Share Transfer Agent.
11. In terms of Section 101 and 136 of the Act read together with the Rules made thereunder, the Listed Companies may send the notice of Annual General Meeting and the Annual Report, including Financial Statements, Board Report, etc. by electronic mode, unless any member has requested for a physical copy of the same. The Company is accordingly forwarding copies of the above referred documents to all those members who have registered their email Ids with their respective DPs or with the RTA by electronic mode. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may also note that the Notice of the AGM & the Annual Report will also be available on the Company's website www.panchmahalsteel.co.in.
12. To support the 'Green Initiative' and to receive shareholders' communications from the Company through electronic means, including annual reports and notices, members are requested to kindly register/ update their email address with their respective Depository Participants, where shares are held in electronic form. If, the shares are held in physical form, members are advised to register their e-mail address with the RTA at mcsitdbaroda@gmail.com.
13. The information on directors recommended for appointment / re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and paragraph 1.2.5 of Secretarial Standard-2 on General Meetings, are provided in "Details of Directors seeking Appointment/ Reappointment at the Annual General Meeting" annexed herewith as Annexure-I.

14. INSTRUCTIONS FOR E-VOTING

In compliance with the provisions of Section 108 and other applicable provisions of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited (CDSL) platform.

The facility for voting through ballot paper will also be made available at the 45th Annual General Meeting and members attending the meeting, who have not already cast their vote by remote e-voting shall be able to exercise their voting rights at the meeting through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the meeting but shall not be entitled to cast their vote again. The instructions for e-voting are as under:

Procedure for E-Voting

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Wednesday, the 19th September, 2018 (9.00 am IST)** and ends on **Friday the 21st September, 2018 (5.00 pm IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **15th September, 2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (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 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) *Members who have not updated their PAN with the Company/Depository Participant are requested to use the serial number which is printed on address slip pasted on Annual Report.
Date of Birth OR Dividend Bank Details	Enter the Date of Birth as registered with DP/RTA in dd/mm/yyyy format Enter the Dividend Bank details as recorded with your DP/RTA. Please note-In respect of Physical shareholding and whose DOB and Dividend Bank Details are not registered with DP/RTA should enter number of shares held by you as on the cut-off date i.e.15th September, 2018.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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 EVSN i.e. **180813021** of the Company "PANCHMAHAL STEEL LIMITED" 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - "CDSL m-Voting" for e-voting. m-Voting app is available on IOS, Android & Windows based mobile. Shareholders may log in to m-Voting using their e-voting credentials to vote for the company resolution(s).
- (xix) Note for Non-Individual Shareholders and Custodians
- * Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - * A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - * After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - * The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - * A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- i. E-voting is optional. The E-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 15th September, 2018.
- ii. Mr. Niraj Trivedi, Practicing Company Secretary (Membership No. 3844 and CP No. 3123) (Address : 218-219, Saffron Complex, Fatehgunj, Vadodara - 390002) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iii. The copy of the Notice convening the 45th Annual General Meeting has been placed on the website of the Company viz. www.panchmahalsteel.co.in and also on the website of CDSL.
- iv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of " Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- v. The Scrutinizer shall after the conclusion of voting the general meeting, will first count the vote cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in employment of the Company and shall make within forty eight hours of conclusion of the AGM, 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.
- vi. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.panchmahalsteel.co.in and on the website of CDSL immediately after declaration of results by the Chairman or a person authorized by him in writing. The results shall also be uploaded on the BSE Listing Portal.

Subject to receipt of requisite number of votes, the Resolutions shall deemed to be passed on the date of Annual General Meeting of the Company scheduled to be held on Saturday, 22nd September, 2018.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 & 4 of the accompanying Notice:

Item No. 3:

The members, at the 42nd Annual General Meeting held on 28th September, 2015 had approved the appointment of Mr. Ashok Malhotra as Managing Director for a period of 3 (three) years with effect from 1st April, 2015.,

The Nomination and Remuneration Committee, at its meeting held on 14th February, 2018, had recommended the re-appointment of Mr. Ashok Malhotra as Managing Director of the Company and terms of remuneration payable to him for a further period of three years from 1st April, 2018 to 31st March, 2021.

The Board of Directors, at its meeting held on 14th February, 2018, had approved the same. The Nomination and Remuneration Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his re-appointment will be in the interest of the Company.

The main terms and conditions regarding the re-appointment and payment of remuneration and perquisites proposed to be paid to Mr. Ashok Malhotra from the date of his re-appointment are set out in the draft Agreement. The Remuneration Committee of the Company approved the said terms and on its recommendation the same were approved by the Board of Directors, subject to the approval of the Shareholders of the Company.

The said draft Agreement, inter alia, contains the following terms and conditions:

1. Period of Appointment: From 1st April, 2018 to 31st March, 2021.
2. Remuneration:
 - a. Salary : Rs.9,00,000/- (Rupees Nine lacs only) p.m.
 - b. Perquisites :
 - (i) In addition to the salary payable, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water and furnishings and repairs, all of which may be hired or owned; medical reimbursement; club fees and leave travel concession for himself and family; medical insurance, personal accident insurance and such other perquisites and allowances in accordance with rules of the Company or as may be agreed to by the Board of Directors and the Managing Director. Such perquisites and allowances will be subject to maximum of Rs.5,00,000/- per month.
 - (ii) For the purpose of calculating the above ceiling, perquisite and allowances shall be evaluated as per Income tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost or hire charges.
 - (iii) Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in computation of perquisites for the purpose of calculating the said ceiling.
 - (iv) As per Section IV of Schedule V of the Companies Act, 2013, the following perquisites shall not be included in the computation of the ceiling on remuneration as specified in Section II of the said Schedule:
 - a) contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income tax Act, 1961 (43 of 1961);
 - b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; &
 - c) encashment of leave at the end of the tenure
 - c) Commission:

Commission on profits, not exceeding 2% of the net profit of the Company for that financial year of the Company as the Board or its committee at the end of each financial year may determine, subject to overall ceiling as provided under Section 197 of the Companies Act, 2013. The commission payable to

the Managing Director will be determined at the end of each financial year and will be payable annually after the annual accounts have been approved by the Board of Directors and adopted by the members.

d) **Minimum Remuneration:**

Notwithstanding anything contained herein, where in any financial year, during the currency of tenure of the Managing Director, the Company has no profit or its profits are inadequate, the Company will pay him the above stated remuneration and perquisites as minimum remuneration.

3. The period of office of Mr. Ashok Malhotra shall be liable to determination by retirement of directors by rotation. If Mr. Ashok Malhotra is re-appointed as a director, immediately on retirement by rotation, he shall continue to hold office of Managing Director and such re-appointment as director shall not be deemed to constitute break in his appointment as Managing Director.
4. As long as Mr. Ashok Malhotra functions as Managing Director, no sitting fee to be paid to him for attending the meetings of the Board of Directors or committee(s) thereof.
5. The said appointment may be terminated by either party by giving the other three calendar months' notice in writing.
6. The Managing Director shall look after overall operations of the Company subject to the superintendence, control and direction of the Board of Directors of the Company.

Other terms and conditions of the Agreement are such as are customarily contained in an agreement of similar nature. The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the board as it may, in its discretion, deem fit, including but not limited to the remuneration payable to Mr. Ashok Malhotra, Managing Director in accordance with the provisions of the Companies Act, 2013, rules thereunder or any amendments made therein.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The draft of Agreement to be entered into between the Company and Mr. Ashok Malhotra is available for inspection at the Registered Office of the Company during business hours on any working day upto and including the day of this meeting.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out at item no. 3 of the accompanying Notice for the approval of the Members.

Additional Information pursuant to Part II of Schedule V to the Companies Act, 2013 for Item No. 3 of the Notice are furnished hereunder.

I. General Information:

(i) **Nature of Industry:**

The Company manufactures a comprehensive range of Stainless Steel grades, in hot rolled wire rod & bars and cold finished bars & wires.

(ii) **Date /expected date of commencement of commercial production:**

The Company's plant for manufacture of Stainless Steel is already in commercial production. The commercial production was started in November, 1973.

(iii) **Financial Performance based on given indicators:**

The financial performance of the Company as reflected by total income, profit, earning per share and dividend recommended for the financial year ended 31st March, 2018 is as under:-

Particulars	(Rs. in crores)
Turnover & Other Income	402.86
Profit/Loss for the year	0.55
Earnings Per share	0.29
Rate of Dividend	Nil

(iv) Export Performance & Foreign Exchange Earning/ Outgo:

(Rs. in crores)

Particulars	2017-18	2016-17
FOB value of Exports	101.73	63.87
CIF value of Import	155.25	134.61
Other Expenditure in Foreign Currency	0.62	0.28

(v) Foreign Investment or Collaborators, if any:

Not Applicable

II. Information about the Appointee:

Nature of Information		
Background Details	Mr. Ashok Malhotra, aged 66 years, is a Commerce Graduate and has been involved with Company's management since 1976 and is well-versed with all aspects of the industry. He has more than 45 years of experience in the steel industry and has been instrumental in establishing the Company name as a qualitative and reliable manufacturer in the global market.	
Past Remuneration	Year	Rs. in lacs
	2015-16	127.07
	2016-17	127.03
	2017-18	127.03
Recognition or Awards	He is a past President of Indian Stainless Steel Association of India.	
Job Profile & Suitability	He is serving as Managing Director of the Company since 18th February, 1976. He is responsible for overall affairs of the Company including strategic planning, direction, operations, finance & corporate affairs. He has sound knowledge of the steel industry, marketing, business process and contemporary management techniques.	
Remuneration proposed	The proposed remuneration is within the limits specified in Section-II of Part II of Schedule V of the Companies Act, 2013 and has been elaborated in the explanatory statement.	
Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person	The remuneration proposed takes into consideration the nature and size of business operations, the qualifications, experience and contribution of the appointees to all round growth of the Company besides present industry benchmarks for payment of managerial remuneration by companies of comparable size and nature of business. Mr. Ashok Malhotra is drawing same salary for the last 6 years. The remuneration proposed to be paid is reasonable and commensurate with the remuneration packages paid to similar senior level appointees in other companies. The proposed remuneration was recommended to the Board of Directors by the Nomination & Remuneration Committee after elaborate discussion.	
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director and as a shareholder to the extent of his shareholding in the Company. Mr. Ashok Malhotra is not related to any of the Director of the Company.	

III. Other Information

Reasons of Loss or Inadequate Profit	Even though the Company had inadequate profits and/or incurred losses in earlier years on account of the global recessionary trends and volatility in all commodity prices, resulting into lower realisations as compared to input costs, it has made small profits in last 2 financial years as per the computation prescribed under Section 198 of the Companies Act, 2013. However, the same may not be adequate to pay remuneration to the Directors (MD/MTD) within the overall limits laid down under Section 197 of the Act.
Steps taken or proposed to be taken for improvement	The Company continues to improve its operating efficiencies and has taken several steps and measures to reduce cost of production and achieve higher productivity while maintaining the superior quality standards of the end products.
Expected increase in productivity and profits in measurable terms.	The global market continues to be unpredictable. However the Company expects improvement in productivity and profitability of its operations during the current year as the economic climate is getting positive with improvement in demand for stainless steel products from various sectors.

IV. Disclosures

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration of Directors" for the year ended 31st March, 2018.

Memorandum of Interest

Mr. Ashok Malhotra is interested in this resolution, which pertain to his re-appointment and remuneration payable to him.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company (including their relatives) has any concern or interest, financial or otherwise, in this Resolution.

Item No. 4:

M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 00025) has been appointed by the Board of Directors of the Company, on the recommendation of the Audit Committee, to conduct the audit of the Cost Records of the Company for the financial year 2018-19.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is to be ratified by the members of the Company.

Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2018-19 as set out in the resolution for aforesaid services to be rendered by him.

The Board of Directors recommends passing of ordinary resolution as set out at Item No. 4 of this Notice.

None of the other Director(s)/ Key Managerial Personnel of the Company and /or their relative(s) is concerned or interested, financially or otherwise, in this resolution.

Regd. Office :

GIDC Industrial Estate,
Kalol - 389 330,
Dist. Panchmahals (Gujarat)
CIN : L27104GJ1972PLC002153,
E-mail: shares@panchmahalsteel.co.in

By order of the Board of Directors

Deepak Nagar
GM (Legal) & Company Secretary

Vadodara, 11th August, 2018

ANNEXURE - I**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT AT THE AGM**

[In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and paragraph 1.2.5 of Secretarial Standard-2 on General Meetings]

Name of the Director	Mr. Pradeep Sharma	Mr. Ashok Malhotra
DIN	00705862	00120198
Date of Birth & Age	01.10.1964 (54 years)	27.08.1952 (66 years)
Date of Appointment on the Board	26.10.2005	01.12.1976
Educational Qualification	B.Com., LL.B.	B.Com.
Experience & Expertise	Mr. Pradeep Sharma has joined the services of the Company in the year 1988 and has held different managerial positions at different times. He is responsible for overall operations at the Plant besides Corporate Management, Procurement & commercial activities of the Company.	Mr. Ashok Malhotra is Promoter Director of the Company. He has more than 45 years of experience in the steel industry and has expertise in business process, marketing and contemporary management techniques.
Number of Meetings of the Board attended during the year.	4 out of 4	4 out of 4
List of Directorship/Membership / Chairmanship of Committees of other Companies.	Nil	Directorship Honeyvick Enterprises (P) Ltd.
Shareholding in the Company	100 Equity Shares	24,59,940 Equity Shares
Relationship with other directors, manager and other Key Managerial Personnel of the Company.	None	None



Regd. Office: GIDC Industrial Estate, Kalol-390 330 Dist. Panchmahals, Gujarat
CIN : L27104GJ1972PLC002153, Tel: +91 2676 230777, Fax: +91 2676 230889
Web: www.panchmahalsteel.co.in, mail: shares@panchmahalsteel.co.in

ATTENDANCE SLIP

45th Annual General Meeting

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTERANCE OF THE MEETING HALL

Joint Shareholders may obtain additional slip at the venue of the meeting.

DP Id *	
---------	--

Folio No.	
-----------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

Name and Address of the Shareholder : _____

I hereby record my presence at the 45th Annual General Meeting of the Company held on 22nd day of September, 2018 at 10.00 a.m. at the Registered Office of the Company.

Signature of Shareholder/Proxy



Regd. Office: GIDC Industrial Estate, Kalol-390 330 Dist. Panchmahals, Gujarat
CIN : L27104GJ1972PLC002153, Tel: +91 2676 230777, Fax: +91 2676 230889
Web: www.panchmahalsteel.co.in, mail: shares@panchmahalsteel.co.in

FORM OF PROXY

Name of the Member (s) : _____

Registered Address : _____

E-mail ID : _____

Folio No./Client Id : _____ DP Id : _____

I/We, being the member (s) of _____ shares of the above named company hereby appoint

1. Name: _____ Address: _____
E-mail Id : _____ Signature: _____ or failing him;
2. Name: _____ Address: _____
E-mail Id : _____ Signature: _____ or failing him;
3. Name: _____ Address: _____
E-mail Id : _____ Signature: _____ or failing him;

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the Company, to be held on Saturday, the 22nd September, 2018 at 10 a.m. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	Optional*	
		For	Against
1	Adoption of Standalone Audited Financial Statements for the year ended 31st March, 2018.		
2	Re-appointment of Mr. Pradeep Sharma s a Director of the Company.		
	Special Business:		
3	Appointment of Mr. Ashok Malhotra as Managing Director of Company.		
4	Ratification of Remuneration of Cost Auditors for the financial year 2018-19.		

Signed this _____ day of _____, 2018

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix 1
Rupee
Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 45th Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.