

NOTICE

Notice is hereby given that the 48th Annual General Meeting of the Members of Panchmahal Steel Limited will be held on Monday, the 27th day of September, 2021 at 11.00 a.m. through Video Conferencing ("VC") / Other Audio Video Means ("OAVM") 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, 2021 together with the Reports of Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Ashok Malhotra (DIN: 00120198), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Alteration of Articles of Association of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, the Articles of Association of the Company be and is hereby amended by insertion of new Article 57(A) after Article 57 as follows:-

"57(A) - Cancellation of Forfeited shares

The Company may, by a resolution of the Board, decide not to reissue the forfeited shares of the Company. In such a case, the Board may cancel the forfeited shares and transfer the amount received on such shares to capital reserve account or other such accounts as per the applicable provisions of Accounting Standards and Act."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

4. **Cancellation of 10,700 Equity Shares forfeited by the Company.**

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 61(1)(e) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, consent of the Company be and is hereby accorded to the cancellation of 10,700 equity shares issued out of the authorised share capital of the Company, which were forfeited by the Company, and which have neither been re-issued nor have been taken up or agreed to be taken up by any person and the amount of issued/subscribed share capital be and is hereby diminished by an amount of Rs.47,900/- (Rupees Forty Seven Thousand Nine Hundred only) being the amount paid up on the forfeited shares so cancelled."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. Re-appointment of Mr. Ashok R. Malhotra as Managing Director of the Company.

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

"RESOLVED THAT pursuant to recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and subject 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), the 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, not liable to retire by rotation for a further period of 3 (Three) years with effect from April 1, 2021 as well as to continue to hold such position after attaining the age of 70 years, 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 re-appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to between 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 and expedient to give effect to this resolution."

6. Ratification of remuneration to Cost Auditor of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendation of the Audit Committee of the Board of Directors, the remuneration of Rs.1,75,000/- and reimbursement of travelling and other out of pocket expenses plus taxes as applicable, to be paid to M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 00025) for conducting the audit of cost records of the Company for the financial year ending March 31, 2022, as approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors of the Company (including its Committees thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution."

Regd. Office :

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

Vadodara, 6th August, 2021

By order of the Board of Directors

Deepak Nagar
GM (Legal) & Company Secretary

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA") followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), MCA has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue of the 48th AGM shall be the Registered Office of the Company.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.panchmahalsteel.co.in , website of stock exchange i.e. BSE Limited at www.bseindia.com and on the website of Central Depository Services Limited at www.evotingindia.com respectively.
3. Members attending AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under the provisions of the Act.
4. Since this AGM is being held pursuant to MCA Circulars through VC / OAVM, physical attendance of the Members has been dispensed with. **Accordingly, the facility to appoint proxies by the Members will not be available for the AGM and hence the Proxy Form & Attendance Slip are not annexed to this Notice.**
However, Institutional / Corporate Shareholders are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to special business to be transacted at the AGM is annexed hereto.
6. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard - 2 in respect of the Directors seeking appointment/re-appointment at the 48th AGM are annexed hereto as Annexure - A to the Notice which forms part of the Explanatory Statement.
7. All documents referred to in the Notice will be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 27th September, 2021. Members seeking to inspect such documents can send an email to shares@panchmahalsteel.co.in.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ("Act") and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
9. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer books of the Company will remain closed from **Monday, 20th September, 2021 to Monday, 27th September, 2021** (both days inclusive) for the purpose of 48th AGM of the Company.
10. **Cut-off Date:** The Company has fixed **Monday, 20th September, 2021** as the Cut-off Date for remote e-voting. The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-off Date i.e. 20th September, 2021 only. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

11. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2021, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or Share Transfer Agent's Email Id at mcsbaroda@gmail.com.

12. Transfer of Unclaimed/Unpaid Dividend and Shares to IEPF Authority:

A. Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), (including any statutory modification(s) and or re-enactment(s) thereof for the time being in force), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF Authority established by the Central Government, after completion of 7 (seven) years. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

B. During the financial year 2020-21, the Company has transferred to the IEPF Authority, the following unclaimed dividend and corresponding equity shares thereto:

Particulars	Amount of Dividend (Rs.)	No. of Shares
Dividend for the financial year 2012-13	1,36,597/-	22,735

C. The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at www.panchmahalsteel.co.in and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the Link (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.

13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, MCS Share Transfer Agents Limited ("MCS") for assistance in this regard.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to M/s MCS Share Transfer Agent Limited (RTA) in case the shares are held by them in physical form.

15. 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.

16. 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.

17. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their respective Depository Participants in case the shares are held by them in electronic form and with our RTA, namely, M/s MCS Share Transfer Agent Limited in case the shares are held by them in physical form.

18. INFORMATION AND OTHER INSTRUCTIONS RELATING TO REMOTE E-VOTING AND E-VOTING DURING AGM

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on **Friday, the 24th September, 2021 (9.00 a.m. IST)** and ends on **Sunday, the 26th day of September, 2021 (5.00 p.m. 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 **20th September, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter

Type of shareholders	Login Method
	your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than Individual 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"> Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN i.e. **210817006** of the Company "PANCHMAHAL STEEL LIMITED" on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) **Facility for Non-Individual Shareholders and Custodians -Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - 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 a Compliance User should be created using the admin login and password. The Compliance 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.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; csneerajtrivedi@gmail.com and shares@panchmahalsteel.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
3. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
5. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
6. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance between **13th September, 2021 to 20th September, 2021** mentioning their name, demat account number/folio number, email id, mobile number at e-mail Id - shares@panchmahalsteel.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance between the above mentioned dates, mentioning their name, demat account number/folio number, email id, mobile number at e-mail Id - shares@panchmahalsteel.co.in. These queries will be replied to by the company suitably.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders :- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to our RTA namely, MCS Share Transfer Agent Limited on their e-mail Id : mcsltdbaroda@gmail.com.
2. For Demat shareholders :- Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to to our RTA namely, MCS Share Transfer Agent Limited on their e-mail Id : mcsltdbaroda@gmail.com.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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 **20th September, 2021**.
- ii. Mr. Niraj Trivedi, Practicing Company Secretary (Membership No. 3844 and CP No. 3123) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iii. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will 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 result will simultaneously be communicated to the Stock Exchanges.

The Resolutions shall deemed to be passed on the date of the Annual General Meeting of the Company, subject to the same being passed with requisite majority.

Regd. Office :

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

Vadodara, 6th August, 2021

By order of the Board of Directors

Deepak Nagar
GM (Legal) & Company Secretary

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 to 6 of the accompanying Notice:

Item No. 3 & 4:

The Board had forfeited 10,700 shares of face value of Rs.10/- each due to non-payment of allotment and/or call money of by the shareholders on 30th August, 2000. The break-up of forfeited Equity Shares remaining in the books of the Company are as under:

(a)	5,600	Forfeited Equity Shares of Rs.3/- each paid:	Rs.16,800
(b)	4,600	Forfeited Equity Shares of Rs.6/- each paid:	Rs.27,600
(c)	500	Forfeited Equity Shares of Rs.7/- each paid:	Rs. 3,500
	<u>10,700</u>		<u>Rs.47,900</u>

The details of forfeited shares needs to be shown in the Balance Sheet till the time these shares are either re-issued or cancelled. Since the quantity is too small for re-issue on rights basis or preferential basis, the Board has decided not to re-issue the forfeited shares, and since the said shares have not been taken or agreed to be taken by any person, the said shares are available to be cancelled. Therefore, pursuant to Section 61(1)(e) of the Companies Act, 2013 and such other applicable provisions of the Companies Act, 2013, it is now proposed to cancel 10,700 Equity Shares and reduce the same from the issued, subscribed and paid-up capital of the Company. The Authorized Capital will not be affected by this cancellation and will remain at Rs.40 crores divided into 4,00,00,000 shares of Rs.10/- each. Upon cancellation of forfeited shares, the paid-up amount as stated hereinabove on these shares will be dealt with in accordance with applicable Indian Accounting Standards.

For the above purpose, the Articles of Association ("AOA") is required to be amended so as to authorize the Company to cancel the forfeited shares.

Further, pursuant to Section 61(1)(e) of the Companies Act, 2013, a limited company having a share capital may, if so authorised by its articles, alter its memorandum in its general meeting to cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its issued and subscribed share capital by the amount of the shares so cancelled.

The resolutions contained in item no. 3 of the accompanying Notice, accordingly, seek shareholders' approval through special resolution for amending the Articles of Association of the Company for authorizing the Board of Directors of the Company to cancel the forfeited shares and to complete all the formalities related thereto.

The resolutions contained in item no. 4 of the accompanying Notice, accordingly, seek shareholders' approval through ordinary resolution to cancel the forfeited shares.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested, financially or otherwise, in the proposed resolutions.

The Board commends these resolutions as set out in the Notice for your approval as Special / Ordinary Resolutions.

A draft copy of Articles of Association of the Company showing alteration will be available for inspection upto the date of AGM during business hours on working days of the Company at the website of the Company.

Item No. 5:

The members, at the 45th Annual General Meeting held on 22nd September, 2018 had approved the appointment of Mr. Ashok R. Malhotra as Managing Director for a period of 3 (three) years with effect from 1st April, 2021.

The Nomination and Remuneration Committee, at its meeting held on 13th February, 2021, had recommended the re-appointment of Mr. Ashok R. Malhotra as Managing Director of the Company on same remuneration except commission for a further period of three years from 1st April, 2021 to 31st March, 2024.

The Board of Directors, at its meeting held on 13th February, 2021, 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 reappointment will be in the interest of the Company.

Mr. Ashok R. Malhotra has rich and varied experience in the industry and has been involved in the operations of the Company for over a long period of time. The Company has achieved remarkable growth under his leadership, management and guidance and his continued services will lead the Company to achieve new heights.

The main terms and conditions regarding the re-appointment and payment of remuneration and perquisites proposed to be paid to Mr. Ashok R. 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, 2021 to 31st March, 2024.**
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 5% of the net profit of the Company for calculated with reference to the net profits of the Company in a particular financial year, as the Board or its committee at the end of each financial year may determine, subject to overall ceiling stipulated 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:

Not with standing 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 R. 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 R. 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 R. Malhotra, Managing Director in accordance with the provisions of the Companies Act, 2013, rules thereunder or any amendments made therein.

Mr. Ashok R. Malhotra will attain the age of 70 years on 27.08.2022 and hence pursuant to the provisions of Section 196(3)(a) of the Companies Act, 2013 ("the Act") continuation of this employment as Chairman & Managing Director requires approval of members by way of special resolution. Further Part- 1 of Schedule V to the Act contains a similar relaxation.

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 R. Malhotra is available for inspection during business hours on any working day up to 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. 5 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. 5 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, 2021 is as under:-

Particulars	(Rs. in crores)
Turnover & Other Income	343.32
Profit/Loss for the year	9.81
Total Comprehensive Income	9.93
Earnings Per share	5.14
Rate of Dividend	Nil

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

(Rs. in crores)

Particulars	2020-21	2019-20
FOB value of Exports	53.87	69.76
CIF value of Import	182.76	173.96
Other Expenditure in Foreign Currency	0.19	0.85

(v) Foreign Investment or Collaborators, if any:

Not Applicable

II. Information about the Appointee:

Nature of Information									
Background Details	Mr. Ashok Malhotra, aged 69 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 rich and varied experience of more than 48 years 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	<table> <tr> <th>Year</th><th>Rs. in lacs</th></tr> <tr> <td>2018-19</td><td>171.36</td></tr> <tr> <td>2019-20</td><td>171.71</td></tr> <tr> <td>2020-21</td><td>161.88</td></tr> </table>	Year	Rs. in lacs	2018-19	171.36	2019-20	171.71	2020-21	161.88
Year	Rs. in lacs								
2018-19	171.36								
2019-20	171.71								
2020-21	161.88								
Recognition or Awards	He is a past President of Indian Stainless Steel Association of India.								
Job Profile & Suitability	<p>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.</p> <p>He has sound knowledge of the steel industry, marketing, business process and contemporary management techniques.</p>								
Remuneration proposed	The proposed remuneration is as specified in Section-II of Part II of Schedule V of the Companies Act, 2013 and has been elaborated in the explanatory statement.								

Nature of Information	
Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person	<p>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.</p> <p>There has been no change in the remuneration proposed to be paid to Mr. Ashok Malhotra, except commission @ 5% instead of 2% of net profit (if payable). The proposed remuneration 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.</p>
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	<p>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.</p> <p>Mr. Ashok Malhotra is not related to any of the Director of the Company.</p>

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 profit of Rs.9.81 crores in the F.Y. 2020-21. However, the same may not be adequate to pay remuneration to the Directors (MD/WTM) 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 Company expects improvement in productivity and profitability of its operations during the current year as the Covid infection appears to be ebbing and 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, 2021.

V. Memorandum of Interest

Mr. Ashok R. Malhotra is interested in the resolution set out at Item No. 5 of the Notice with regard to his re-appointment. Relatives of Shri Ashok R. Malhotra may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations. The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6:

The Board at its meeting held on 31st May, 2021, on the recommendation of the Audit Committee, has approved the appointment & remuneration of M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 00025) to conduct the audit of the Cost Records of the Company for the financial year 2021-22.

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 2021-22 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. 6 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, 6th August, 2021

ANNEXURE - A

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-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. Ashok Malhotra
Designation	Chairman & Managing Director
DIN	00120198
Date of Birth & Age	27.08.1952 (69 years)
Date of first appointment on the Board	01.12.1976
Educational Qualification	B.Com.
Experience & Expertise	Mr. Ashok Malhotra is Promoter Director of the Company. He has more than 48 years of experience in the steel industry and has expertise in business process, marketing and contemporary management techniques.
Terms and conditions of re-appointment	He is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. It is also proposed to re-appoint him as a Managing Director for the period of 3 years w.e.f. April 01, 2021 on the major terms and conditions as appearing in the explanatory statement to the item no. 5 of accompanying notice.
Details of remuneration and remuneration last drawn	Details are mentioned in the Corporate Governance Report.
Number of Meetings of the Board attended during the year.	5 out of 5
List of Directorship/ Membership / Chairmanship of Committees of other Companies.	<u>Directorship</u> Honeyvick Enterprises Private Limited
Shareholding in the Company as at 31.03.2021	24,59,940 Equity Shares
Relationship with other directors, manager and other Key Managerial Personnel of the Company	None