



NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting of **INDIA STEEL WORKS LIMITED (CIN:L29100MH1987 PLC043186)** will be held on Monday 20th August, 2018 at 11.00 a.m. at the Registered office of the Company at India Steel Works Complex, Zenith Compound, Khopoli, Raigad-410203, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss for the year ended on that date, together with the Reports of the Board of Directors and the Auditors' thereon.
2. To declare dividend @0.01% amounting on total paid up Preference share capital of the company for the financial year ended 31st March, 2018
3. To appoint a Director in place of Mr. Ashwinkumar Gupta (DIN- 00010850) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Deepak Kumar Gaur (DIN-7636636) who retires by rotation and being eligible, offers himself for re-appointment.
5. Appointment of Auditor.

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

"RESOLVED THAT in accordance with applicable provisions 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) M/s Laxmikanth Kabra & Co., Chartered Accountants (Firm Registration No. 117183W), be and are hereby appointed as Statutory Auditors of the Company for the period of 5 years , subject to ratification by the members at every Annual General Meeting of the Company and eligibility of the firm, to hold office from the conclusion of this Annual General Meeting until the conclusion of thirty sixth Annual General Meeting of the Company, on such remuneration to be fixed by the Board of Directors."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

SPECIAL BUSINESS:

6. REAPPOINTMENT OF MR. VARUN S. GUPTA AS A WHOLE-TIME DIRECTOR OF THE COMPANY

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

"RESOLVED THAT subject to the provisions of sections 2(94), 161, 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) and subject to such approvals as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent, approvals and permissions and as are agreed to by the Board of Directors (Hereinafter referred to as the Board, which term shall be deemed to include any committee thereof and any person authorized by the Board in this behalf) approval be and is hereby accorded to appoint Mr. Varun Gupta (DIN-02938137), as a "Whole-time Director" of the Company upon the terms and conditions as set out herein below:

Period: 3 years with effect from 1st July, 2018 with liberty to either party to terminate by giving two month notice in writing to the other.

A. Salary: Rs. 2 Lakhs p.m.

B. Perquisites: In addition to salary the Whole-time Director shall also be entitled to following perquisites and allowances:

- a. Accommodation: Furnished or otherwise shall be provided by the Company the expenditure on which shall be subject to a limit of sixty percent of the salary over and above ten percent payable by him or House Rent Allowance in lieu thereof subject to a limit of sixty percent of annual salary.
- b. Medical Reimbursement: For self and family in accordance with the rules of the Company, and shall further also includes reimbursement of Life insurance, accidental insurance and Mediclaim Insurance for self and family.
- c. Leave Travel Assistance: For self and family in accordance with the rules of the Company.



- d. Leave: Leave on full pay as per rules of the Company
- e. Provident Fund/ Gratuity/ pension: As per the rules of the Company
- f. Insurance: Personal Accident insurance of an amount, the total annual premium of which does not exceed to Rs. 0.20 Lacs per annum.
- g. Car: Free use of Company's car including maintenance and operations together with driver for official purpose.
- h. Telephone: Free telephone facility at residence.
- i. Entertainment: Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the Company.
- j. Other Perquisites: Travelling and halting allowances for self and spouse on actual basis.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules perquisites shall be evaluated at actual cost. The Board of Directors / Nomination and Remuneration committee shall have authority to approve annual increment of salary effective 1st April each year from time to time at a rate not exceeding Rs.0.50 Lacs p.m.

RESOLVED FURTHER THAT during the currency of tenure of the Whole-time Director, if the company has no profits or its profits are inadequate in any financial year, Mr. Varun S. Gupta shall be entitled to aforesaid remuneration as Minimum Remuneration subject to the limit specified in Section II of Part II of the said Schedule V of the Companies Act, 2013."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized, in the event of any statutory modification or of relaxation by the Central Government in Schedule V to the Companies Act, 2013, to vary or increase the Remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling without any further reference to the members of the Company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

7. INCREASE IN REMUNERATION PAYABLE TO MR. DEEPAK KUMAR GAUR, WHOLE-TIME 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 subject to the provisions of sections 2(94), 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof) and subject to such approvals as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent, approvals and permissions and as are agreed to by the Board of Directors (Hereinafter referred to as the Board, which term shall be deemed to include any committee thereof and any person authorized by the Board in this behalf) approval be and is hereby accorded to increase the remuneration payable to Mr. Deepak Kumar Gaur (DIN-07636636), as "Whole-time Director" of the Company upon the terms and conditions as set out herein below:

Period: 3 years with effect from 9th November, 2016 with liberty to either party to terminate by giving three months' notice in writing to the other:

Remuneration and Perquisites

- A) Salary: Rs. 6,13,327 Lakhs p.m.
- B) Perquisites: in addition to salary the Whole Time Director shall also entitled to following perquisites and allowances
 - a. Bonus: Annual Bonus as declared by the Company.
 - b. Leave: Leave on full pay as per the rules of the Company.
 - c. Provident fund / Gratuity /Pensions: as per rules of the Company.
 - d. Insurance: Personal Accident Insurance of an amount as per the Company policy
 - e. Car: free use of Company's car including maintenance and operations together with Driver for official purpose.
 - f. Other perquisites: Chauffeur Driven car with fully reimbursed petrol and maintenance expenses.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules perquisites shall be evaluated at actual cost. The Board of Directors / Nomination and Remuneration committee shall have authority to approve annual incentive in the range of 15 to 30 percent of the CTC, minimum of 15 %.



RESOLVED FURTHER THAT during the currency of tenure of the Whole-time Director, if the company has no profits or its profits are inadequate in any financial year, Mr. Deepak Kumar Gaur shall be entitled to aforesaid remuneration as Minimum Remuneration subject to the limit specified in Section II of Part II of the said Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized, in the event of any statutory modification or of relaxation by the Central Government in Schedule V to the Companies Act, 2013, to vary or increase the Remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling without any further reference to the members of the Company in General Meeting."

8. APPROVAL OF REMUNERATION PAYABLE TO COST AUDITOR

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 all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Vishesh Naresh Patani (Membership No. 30328) the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31st, 2019, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. APPROVAL OF ARRANGEMENTS/TRANSACTIONS WITH RELATED PARTIES

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 the clause 49(VII) of the Equity Listing Agreement with the Stock Exchange and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to ratify / approve all existing contracts / arrangements / agreements and to enter into contract (s) / transaction(s) with "G L Engineering Industries private Limited", " Shree Vaishnav Industries Private Limited", "Isinox Limited", "ISL Global Pte Ltd", "UAB ISL Lithuania" "ISL Europe Spolka Z.o.o" and "ISL Italia Spa" related party within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten per cent of the annual consolidated turnover of the Company as per audited financial statements of financial year 2017-18; having the following details and as detailed in the Explanatory Statement annexed hereto:

Description of Contract	Total cumulative contract value with Related Party (Rs. In Crore)
Sale, purchase, supply of any goods, including raw materials, finished products, scrap and capital goods, carrying out / availing job-work and hire of facilities, availing / rendering of marketing/ business transfer and other services, leasing of factory / office premises/facilities or any other transactions.	1626

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms & conditions thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above Resolution."

10. APPOINTMENT OF BRANCH AUDITORS:

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

"RESOLVED that pursuant to the provisions of section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 (Act), as amended from time to time, the Board be and is hereby authorized to appoint as Branch Auditors of any branch office of the Company, whether existing or which may be opened/acquired hereafter, outside India, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditor within the provisions of section 143(8) of the Act and to fix their remuneration."

**11. TRANSFER OF STEEL-WORKS BUSINESS OF THE COMPANY TO ITS WHOLLY OWNED SUBSIDIARY:**

To consider and if thought fit, to give assent/dissent to the passing of the following resolution as a Special resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and any other applicable provisions, if any of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Management and Administration) Rules, 2014, the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI LODR Regulations”), the provisions of the Memorandum and Articles of Association of the Company, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / or otherwise dispose of the entire Steel-Works Business of the Company being conducted by and through the plant located at Khopoli, Raigad district of Maharashtra, including all Steel-Works Business employees, orders, prospects, receivables, payables, loans, inventory, contracts, intellectual property etc. as a going concern together with the use of all the licenses, permits, consent and approvals whatsoever, and all related assets and liabilities except (a) all immovable property consisting of land and buildings (b) plant & machinery and (c) assets and liabilities not belonging to the steel- works business on the terms and conditions as may be decided by the Board to and for the benefit of Indinox Steels Private Limited, a wholly owned subsidiary of the Company for a lump sum consideration upto Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) subject to certain adjustments after closing, as agreed between the parties in terms of the definitive documents.

RESOLVED FURTHER THAT the Company shall also enter into a lease agreement for the immovable property and plant and machinery situated at Khopoli, Raigad district, Maharashtra with Indinox Steels Private Limited, a wholly owned subsidiary of the Company at a terms and conditions as may be determined between the Company and the Indinox Steels Private Limited.

RESOLVED FURTHER THAT the Board be and is hereby authorised to undertake all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any committee of Directors or to any Director or Officer(s) or Authorised Representative(s) of the Company in order to give effect to this resolution.”

Regd. Office:
India Steel Works Complex,
Zenith Compound,
Khopoli, Raigad-410203

Place: Mumbai
Date: 15th June, 2018

By order of the Board
India Steel Works Limited

Sudhir Gupta
Managing Director
DIN:00010853

**NOTES:**

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- B. The instrument appointing the proxy (duly completed, stamped and signed) must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
- C. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- D. Statement as required under section 102 (1) of the Companies Act, 2013, in respect of special business is annexed hereto.
- E. The Register of Members and the share transfer books of the Company will remain closed from **Tuesday 14th August, 2018 to Monday 20th August, 2018** both days inclusive.
- F. The dividend, if declared at the Annual General Meeting, would be paid/dispatched after 20th August, 2018 to those persons or their mandates: (a) whose names appear as Beneficial Owners as at the end of the business hours on Monday 13th August, 2018 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before Monday 13th August, 2018.
- G. The Registrar and Transfer Agent of the Company M/s. Link Intime India Pvt Ltd is handling registry work in respect of shares held both in physical form and in electronic / demat form.
- H. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
- I. Electronic copy of the 31st Annual Report (including the Notice) of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the Members whose E-mail Ids are registered with the Company/Depository Participants(s) for communication purposes. For Members other than the above, physical copies of the Annual Report are being sent in the permitted mode. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- J. Members may also note that an electronic copy of the 31st Annual Report including Notice along with attendance slip and proxy form will be available on the Company's website at www.indiasteel.in. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making such a request for the same free of cost. For any communication, the shareholders may also send their request to the Company's investor E-mail Id: cosec@indiasteel.in
- K. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/Company.
- L. Non-Resident Indian Members are requested to inform Link Intime India Pvt Limited, immediately of change in their residential status on return to India for permanent settlement.
- M. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- N. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report / notice for attending the meeting.



- O. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- P. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Q. Voting through electronic means

1. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide its Shareholders with the facility to exercise their right to vote at the 31st Annual General Meeting (AGM) of the Company by 'remote e-voting' (e voting at a place other than the venue of the AGM). The business may be transacted through remote e-voting services provided by the Central Depository Services Limited (CDSL).
2. The facility for voting through polling paper shall also be made available to those shareholders who are present at the 31st AGM, but have not cast their votes by availing the remote e-voting facility. The Members who have exercised their voting through the remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
3. The Company has appointed Ms. Khyati Shah, Practicing Company Secretary (C.P.No. 9574) as Scrutinizer for conducting the remote e- voting and voting process at the AGM in a fair and transparent manner.
4. The instructions to members for voting electronically are as under :
 - (i) The remote e-voting period begins on **17th August, 2018 at 09.00 a.m. (IST) and ends on 19th August, 2018 at 5.00 p.m. (IST)**. During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **13th August, 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) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. <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 (iv).

- (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 for the relevant Company Name i.e. India Steel Works 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same 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 cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(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 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 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.
- 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

General:

- (a) During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th August, 2018 may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (b) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 13th August, 2018.
- (c) Ms. Khyati Shah, Practicing Company Secretary, Membership No:- 22662 CP No:- 9574 Mumbai, cskhyatishah@gmail.com has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (d) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

**ANNEXURE TO THE NOTICE****Statement pursuant to section 102 of Companies Act, 2013 in respect of special business and details pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:****ITEM NO.6: REAPPOINTMENT OF MR. VARUN S. GUPTA AS A WHOLE-TIME DIRECTOR OF THE COMPANY**

Mr. Varun Gupta is a graduate in Business administration from the Bond University, Gold Coast, Australia. He started his career as a sales representative in Australia and later joined the Company in 2007 as a Management Trainee. On December 29, 2008 he was appointed as Management Executive. On 17 December, 2009 he was appointed as an Additional Director by the Board and appointed as Executive Director w.e.f. 1.07.2010 for a period of 3 years, ended on 30th June, 2012 instead of 30th June, 2013.

The Board of Directors of the Company at its meeting held on 28th May, 2018 has, subject to the approval of members, re-appointed Mr. Varun S. Gupta, as Whole-time Director of the Company, for a period of 3 (three) years with effect from 1st July, 2018 at the remuneration approved by the Nomination & Remuneration Committee and also by the Board.

In accordance to the provisions of Section 2(94), 196,197,198 and 203 read with schedule V and other applicable provisions including rules, regulations made there under, if any, of the Companies Act, 2013, ("the Act"), that the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by shareholders at ensuing general meeting.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Varun S. Gupta as Whole-time Director are more specifically mentioned in the Resolution.

The said Director will perform such duties as shall from time to time be entrusted to him by the Board of Directors and subject to superintendence, guidance and control of the Board. The appointment may be terminated by giving the other 2 (two) months' prior notice in writing. Mr. Varun S. Gupta satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

The statement as required under Part II of Section II, of the Schedule V of the Companies Act, 2013 with reference to:

- i. Payment of Remuneration is approved by the Board as well as the Nomination & remuneration committee of the Company.
- ii. The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person;
- iii. a statement along with a notice calling the general meeting referred to in clause (iii) is given to the shareholders containing the following information, namely:-
 - I. General Information:
 - (1) Nature of Industry: Manufacturing of Stainless Steel and alloy steel long products.
 - (2) Date or expected date of commencement of commercial production: Existing Company, already commenced from 1987.
 - (3) Financial performance based on given indicators

(Rs. In Lakhs)

Sr. No	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2018
1	Net sales / Income	114,907.79	96,729.01
2	Other operating Income	1004.11	2,953.85
3	Total Expenditure	115,873.72	99,186.88
4	Finance Cost	1900.44	1,674.43



Sr. No	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2018
5	Profit/(loss) before Tax	38.18	419.45
6	Tax Expenses	3.25	-
7	Net Profit/(loss): For the year	34.94	419.45
8	Total comprehensive income for the year	29.07	508.15

(4) Export performance and net foreign exchange earnings: on FOB basis is Rs. Rs.285,285,750/-

(5) Foreign Investments or Collaborators, if any: Nil

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: NIL

Mr. Varun S. Gupta is a Promoter Director holding 204800 Equity shares consisting of the paid-up capital of the Company. Apart from receiving remuneration as stated above he does not receive any emoluments from the Company. Besides Isinox Limited, public limited company he has no Directorship in other public limited Companies in India. Mr. Varun Gupta (Whole-time Director) is Son of Mr. Sudhir H. Gupta. No other managerial personnel have any relationship with Mr. Varun S. Gupta.

ITEM NO.7: INCREASE IN REMUNERATION PAYABLE TO MR. DEEPAK KUMAR GAUR, WHOLE-TIME DIRECTOR OF THE COMPANY

The Board of Directors of the Company appointed, pursuant to the provisions of sub-section (1) of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, and on the basis of the recommendation of Nomination & Remuneration Committee, Mr. Deepak Kumar Gaur (DIN 07636636), who was appointed as an Additional Director w.e.f. 9th November, 2016 and regularized as Whole-time Director in the Annual General Meeting held on 9th August, 2017 under section 152, 196 and 197 of the Companies Act, 2013. Further, the said increase in remuneration was passed in the Board Meeting 9th February, 2018 with the approval of shareholders in the ensuing General Meeting, where the said increase in placed before the shareholder for its approval.

Period: 3 years with effect from 9th November, 2016 with liberty to either party to terminate by giving three months' notice in writing to the other:

Remuneration and Perquisites

- A) Salary: Rs. 6,13,327 Lakhs p.m.
- B) Perquisites: in addition to salary the Whole Time Director shall also entitled to following perquisites and allowances
- g. Bonus: Annual Bonus as declared by the Company.
 - h. Leave: Leave on full pay as per the rules of the Company.
 - i. Provident fund / Gratuity /Pensions: as per rules of the Company.
 - j. Insurance: Personal Accident Insurance of an amount as per the Company policy
 - k. Car: free use of Company's car including maintenance and operations together with Driver for official purpose.
 - l. Other perquisites: Chauffeur Driven car with fully reimbursed petrol and maintenance expenses.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules perquisites shall be evaluated at actual cost. The Board of Directors / Nomination and Remuneration committee shall have authority to approve annual incentive in the range of 15 to 30 percent of the CTC, minimum of 15 %.

Mr. Deepak Kumar Gaur does not hold any shares directly or indirectly in the Company. He is an Director in a Public Limited Company, Isinox Limited.

Copy of draft letters for appointment of Mr. Deepak Kumar Gaur as Director, setting out the terms and conditions are available for inspection by members at the registered Office of the Company.

**DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT:**

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchange details of the Directors seeking re-appointment are as follows:

Mr. Ashwinkumar H. Gupta is a Chairman, Promoter and Whole-time Director of the Company since 2009. B. Tech from the Bombay University and has been associated with the Company since incorporation. He holds 5515825 shares consisting of 1.39% of the Equity share Capital of the Company. He has other Directorships in following Private Companies and none in Public Limited Companies:

Watertight Developers Private Limited
Yeotmal Land development And Trading Co Private Limited
Isicom Traders Private Limited
Isistar Exports Private Limited
India Steel International Private Limited
Emgee Homes Private Limited
Isimetals (India) Private Limited
Isiworld Steels Private Limited
Gupta Housing Private Limited
Harbour View Realty Private Limited
Gupta Re-Developers LLP

Mr. Deepak Kumar Gaur is a whole-time Director of the Company since 9th November, 2016. Graduate in Science and Mechanical Engineering .He has also completed his Master degree in Business Administration with specialisation in Marketing and Human Resource from Nagpur University. He has rich experience of over 21 years in Operations of Various Iron and Steel Plants. He does not hold any shares in the Company.

None of the Directors are concerned or interested in the resolution.

ITEM NO.8: APPROVAL OF REMUNERATION PAYABLE TO COST AUDITOR

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31st, 2019 as per the following details:

Name of the Cost Auditor: Vishesh N. Patani

Audit fees: Rs. 150,000/-

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31st, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at the Notice.

The Board recommends the Ordinary Resolution set out at the Notice for approval by the shareholders.

ITEM NO.9: APPROVAL OF ARRANGEMENTS/TRANSACTIONS WITH RELATED PARTIES

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the members by special resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on arm's length basis.



However, pursuant to Regulation 23 with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the shareholders through special resolution is required for all 'material related party transactions (RPT) even if they are entered into in the ordinary course of business on arm's length basis. For this purpose, a RPT will be considered 'material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year 10% or more of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The following transactions to be entered into by the Company, together with transactions already entered into by the Company with "G L Engineering Industries private Limited", " Shree Vaishnav Industries Private Limited", "Isinox Limited", "ISL Global Pte Ltd", "UAB ISL Lithuania" "ISL Europe Spolka Z.o.o" and "ISL Italia Spa". related party, during the current financial year, even though are in the ordinary course of business and on an arm's length basis, are estimated to 10% or more of the annual consolidated turnover of the Company as per the audited financial statements of the Company for the year ended 31st March, 2018:-

Sl. No	Nature of Transaction	FY: 2017-18 Estimated Annual Value of Contracts & Services [in Rs. crore]
Sale of Goods & rendering of Services by the Company to Isinox Limited (Formerly Known as Isinox Steels Limited)		
1	Sale	1080
2	Job Work Income	120
Total Income		1200
Purchase of Goods & receiving of Services by the Company from Isinox Limited(Formerly Known as Isinox Steels Limited)		
1	Purchase	360
2	Job Work Charges / Hire Charges	60
3	Rent	6
Total Expenditure		426
Total Transaction Value		1626

The other particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

1. Name of the related parties: "G L Engineering Industries Private Limited", "Shree Vaishnav Industries Private Limited", "Isinox Limited", "ISL Global Pte Ltd", "UAB ISL Lithuania" "ISL Europe Spolka Z.o.o" and "ISL Italia Spa".
2. Name of the director or key managerial personnel who is related, if any: Mr. Ashwin H Gupta, Mr. Sudhir H Gupta, Mr. Varun S Gupta, Mr. Deepak Kumar Gaur, Mr. T R Bajalia, Mrs. Kavita Joshi and Ms. Sowmya Prabhu
3. Nature of relationship: Isinox Ltd., is owned by the aforesaid Promoter Directors and their relatives. Mr. Deepak Kumar Gaur is a Technical Director on Board of both the Companies though he does not have any shareholding in either of the Companies. ISL Global Pte Ltd is a wholly owned subsidiary of Isinox limited.
4. Nature of the Contract or arrangement : purchases, sells, availing services and also rendering services, giving advances against its orders, providing and accepting short term Inter Corporate Deposits to/from the Company in normal course of business at commercial terms, from time to time, on an on-going concern basis. Isinox Ltd. has also entered into a long-term 'Conversion Agreement' JOB WORK AGREEMENT with the Company with effect from 1st April 2014.
5. Material Terms of the Contract or arrangement including the value: The Contracts/arrangements/Agreements are renewable mutually for further periods as the Board may deem fit. The business value of the transactions could be up to Rs.1626 crores. p.a.(based on last year's operational value).
6. Any other information relevant or important for the members to take a decision on the proposed resolution: All transactions are mutually beneficial to the business of both the Companies wherein pricing and other commercial terms are determined on the basis of prevalent market terms. Both the Companies are also subject to the transfer pricing norms prevalent in the Country.



Except Mr. Ashwin H Gupta, Mr. Sudhir H Gupta, Mr. Varun S Gupta, Mr. Deepak Kumar Gaur, Mr. T R Bajalia and Mrs. Kavita Joshi, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the said Resolution.

The above transactions are approved by the Audit Committee as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. In view the above, it is proposed to seek approval of the members of the Company through Special resolution for the above transactions and the related parties are abstained from voting on the said resolution. None of the Directors, Key Managerial Personnel or their relatives is interested or concerned in the said resolution except for their holdings in the shares of the Company and to the extent of their memberships and/ or directorships in the Isinox Limited and ISL Global Pte Ltd.

The Board recommends the Resolution at the Notice for approval of the Members.

ITEM NO. 10. APPOINTMENT OF BRANCH AUDITORS

The Company has branch outside India and may also open/acquire new branches outside India in future. It may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches. The Members are requested to authorize the Board of Directors of the Company to appoint NATARAJAN & SWAMINATHAN, Chartered Accountants of Singapore, branch auditors in consultation with the Company's Auditors and fix their remuneration.

The Board recommends the Resolution at Item No.10 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No.10 of the accompanying Notice.

ITEM NO. 11 : TRANSFER OF STEEL-WORKS BUSINESS OF THE COMPANY TO ITS WHOLLY OWNED SUBSIDIARY

After considering and discussing in deep about the current situation being faced by the Company during the board meeting held on 15th June 2018, the Board is contemplating to reorganize the business to achieve among other matters a) operational ease of manufacturing and compliance, b) better funding and utility of the manufacturing facility of Company, c) efficient business model and other transaction benefits.

Consequent to this the board seeks approval of shareholders of the Company for

- (i) The sale of the Steel-Works Business and all related assets and liabilities except (a) all immovable properties consisting of land and buildings (situated at Khopoli, Raigad district, Maharashtra) (b) plant & machinery and (c) assets and liabilities not belonging to the Steel-Works Business, on a going concern to Indinox Steels Private Limited, a wholly owned subsidiary of the Company ("WOS") in accordance with the terms as may be agreed between the Company and the Transferee and agreed under the definitive agreements.
- (ii) To enter into a lease agreement for the immovable property and plant and machinery situated at Khopoli, Raigad district, Maharashtra with Indinox Steels Private Limited, a wholly owned subsidiary of the Company at a terms and conditions as may be determined between the Company and WOS.

Accordingly, the Company and the Transferee shall enter into suitable documentation which shall inter-alia provide for the terms for transfer of Steel-Works Business and Lease of immovable property of the Company to the WOS.

The transfer of Steel-Works Business would primarily result into segregation of the Steel-Works Business into a wholly-owned subsidiary thereby, (a) enabling enhanced focus on marketing and development of newer markets by the wholly-owned subsidiary; (b) ability to attract new investments on account of an asset-light operation being conducted by the wholly-owned subsidiary; (c) enhancing cost competitiveness by improving focus on facilities management; (d) enhanced ability to raise debt resources.



Key terms of proposed transfer:

- a. Effective date of proposed transfer is 21st August 2018, subject to change as per terms agreed between the Company and WOS.
- b. Effective date of proposed lease is 21st August 2018, subject to change as per terms agreed between the Company and WOS.
- c. To transfer the Steel-Works Business, as mentioned above, for a lump sum consideration upto Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) plus/minus any adjustments upto the closing date.["**Sale Consideration**"];
- d. Completion of the transfer and settlement of the purchase consideration shall be subject to receipt of approval of the Company and such regulatory/other approvals as may be required.
- e. The transfer of Steel-Works Business includes transfer of all assets, liabilities, employees, licences, permits etc., except for such assets, liabilities, employees and other resources which have been specifically excluded.
- f. The assets and liabilities being transferred to the Transferee with the Steel-Works Business may not include assets and liabilities relating to any other businesses of the Company.
- g. The Board of the Company shall be authorised to identify the assets and liabilities that may be transferred as a part of the transfer to wholly-owned subsidiary and finalise the sale consideration.

The total income of the business for the year ended March 31, 2018 was Rs. 99682.86 Lakhs. The profit before tax of the business for the year ended March 31, 2018 was Rs. 419.45 Lakhs.

Based on the position as on March 31, 2018, the book value of net assets being transferred is approx..Rs. 15 crores; which would further undergo change depending on the actual position as on closing date. The Sale Consideration under the definitive agreement shall be determined on the basis of position as on completion date.

The afore-mentioned excluded immovable properties being land, buildings and plant & machinery which shall be given on lease basis to Indinox Steels Private Limited, a wholly owned subsidiary of the Company at terms as may be agreed between the Company through Board of Directors and the WOS.

In terms of Section 180(1)(a) of the Act, shareholders' approval is required by a company to sell or otherwise dispose-off the whole or substantially the whole of the undertaking of the company. An undertaking is defined to mean an undertaking in which the investment of a company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of a company during the previous financial year. Given that the undertaking being transferred generated more than 20% of the total income during the previous financial year ended March 31, 2018, the sale / transfer of the Steel-Works Business requires approval of the members by a special resolution under Section 180(1)(a) of the Act, Hence The approval of the members of the Company is accordingly being sought for the proposed transaction.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are interested or concerned in the said Resolution except to the extent of their respective shareholding, if any, in the Company.

Regd. Office:
India Steel Works Complex,
Zenith Compound,
Khopoli, Raigad-410203

By order of the Board
India Steel Works Limited

Place: Mumbai
Date: 15th June 2018

Sudhir Gupta
Managing Director
DIN:00010853