

NOTICE OF 43RD ANNUAL GENERAL MEETING

NOTICE

Notice is hereby given that the 43rd Annual General Meeting of the members of Modern Steels Limited will be held on Saturday, the 9th September, 2017 at 11.00 a.m. at the Registered Office of the Company at G.T. Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab - 147 301 to transact the following business:-

AS ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Krishan Kumar Goyal (DIN: 00482035), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. To ratify the appointment and payment of remuneration to Statutory Auditors for the financial year 2017-18 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to provisions of Section 139 and such other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time and pursuant to the resolution passed by the members at the 40th Annual General Meeting (AGM) held on 29th September, 2014 in respect of appointment of the Statutory Auditors, M/s. Aaryaa & Associates, Chartered Accountants (ICAI Firm's Registration No. 015935N), till the conclusion of the AGM to be held in the year 2019, the Company hereby ratifies and confirms the appointment of M/s. Aaryaa & Associates, Chartered Accountants (ICAI Firm's Registration No. 015935N) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company to be held in the year 2018 to examine and audit the accounts of the Company for the financial year 2017-18 on such remuneration as may be fixed by the Board of Directors of the Company."

AS SPECIAL BUSINESS:

4. To appoint Mr. D.S. Gill (DIN: 00211236) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies

Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. D.S. Gill (DIN: 00211236), who was appointed as an Independent Director and who holds office of Independent Director upto the conclusion of this Annual General Meeting and being eligible, has offered himself for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years commencing from 9th September, 2017 on the Board of Directors of the Company."

5. To appoint Dr. Priyavrat Thareja (DIN: 06984057), as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Priyavrat Thareja (DIN: 06984057), who was appointed as an Independent Director and who holds office of Independent Director upto the conclusion of this Annual General Meeting and being eligible, has offered himself for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years commencing from 9th September, 2017 on the Board of Directors of the Company."



6. To re-appoint Mr. Amarjit Goyal (DIN: 00219943) as Chairman & Whole Time Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 200 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), and subject to such other approvals as may be required, approval of the Company be and is hereby accorded to re-appoint Mr. Amarjit Goyal (DIN: 00219943) as Chairman & Whole Time Director of the Company, not liable to retire by rotation, for a further period of 3 (three) years from the expiry of his present term of office, that is, with effect from 1st April, 2017, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting and as approved by the Nomination and Remuneration Committee, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination & Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Amarjit Goyal, subject to the conformity with the provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;
RESOLVED FURTHER THAT the Board 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 including accepting of any change in terms of appointment and remuneration as proposed, as may be required by any Statutory/Govt. authority while giving its approval if so required.”
7. To re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 200 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), and subject to such other approvals as may be required, approval of the Company be and is hereby accorded to re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Managing Director of the Company, liable to retire by rotation, for a further period of 3 (three) years from the expiry of his present term of office, that is, with effect from 1st April, 2017, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, and as approved by the Nomination & Remuneration Committee, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination & Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and remuneration as it may deem fit and as may be acceptable to Mr. Krishan Kumar Goyal, subject to the conformity with the provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;
RESOLVED FURTHER THAT the Board 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 including accepting of any change in terms of appointment and remuneration as proposed, as may be required by any Statutory/Govt. authority while giving its approval if so required.”
8. To approve the material related party transactions with Modern Automotives Limited and in this regard 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 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Company be and is hereby accorded to the Board of Directors, to enter into contracts/arrangements/ transactions with Modern Automotives Limited, a Related Party under Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to sale / purchase of products, goods, materials or services subject to a maximum aggregate transactions of ₹ 100 crores in a financial year on such terms and conditions as may be mutually agreed between the Company and Modern Automotives Limited, at arm’s length basis and at prevailing market prices.
RESOLVED FURTHER THAT the Board of Directors / Key Managerial Personnel be and are hereby

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authorized to decide upon the nature and value of the products, goods, materials or services to be transacted with Modern Automotives Limited, within the aforesaid limit.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof and/or Key Managerial Personnel, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

9. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2018 and in this regard 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, if any, of the Companies Act, 2013 and Rules framed there under, as amended from time to time and such other permissions as may be necessary, the Members hereby ratify the remuneration of ₹ 70,000/- plus service tax/GST and out of pocket expenses payable to M/s. V. Kumar & Associates, Cost Accountants, who were 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 31st March, 2018.

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."

By order of the Board of Directors

Place : Chandigarh
Dated: 4th August, 2017

Ashish Sharma
GM (Secretarial) &
Company Secretary

Registered Office:

G.T. Road, Mandi Gobindgarh,
Distt. Fatehgarh Sahib, Punjab -147 301
CIN: L27109PB1973PLC003358
Email: secretarial@modernsteels.com

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member
2. 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.
3. Details under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in respect of the Directors seeking re-appointment at the Annual General Meeting, is annexed hereto.
4. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. Members who wish to obtain any information on the Company or view the Accounts for the financial year ended 31st March, 2017, may send their queries at least 10 days before the Annual General Meeting to the Company Secretary at Company's Office at SCO 98-99, Sub-City Centre, Sector 34, Chandigarh-160 022.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 4th September, 2017 to 9th September, 2017 (both days inclusive).
8. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their addresses, bank details, mandate etc., to their respective Depository Participant (DP). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better services to the members. The Members holding shares in physical form are requested to intimate immediately change of address, if any, to the Company's Registrar and Transfer Agent.
9. As per the provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (LODR) Regulations, 2015, the Shareholders can now receive various notices and documents through



electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled-in 'E-Communication Registration Form' attached at the end of this report (also available on our website www.modernsteels.com), with MCS Share Transfer Agent Limited / Investors Service Department of the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only.

Even after registering for e-communication the Shareholders of the Company are entitled to receive such communication in physical form, upon request.

10. 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 their Depository Participants with whom they are maintaining their demat accounts.

Members holding shares in physical form can submit their PAN to the Company or M/s. MCS Share Transfer Agent Limited.

11. Soft copy of the Annual Report for the financial year 2016-2017 is being sent to all the members, whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2016-17 is being sent in the permitted mode.
12. Soft copy of the Notice of the 43rd Annual General Meeting 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 email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 43rd Annual General Meeting of the Company, inter-alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
13. Members may also note that the Notice of the 43rd Annual General Meeting and the Annual Report for the financial year 2016-17 will also be available on the Company's website www.modernsteels.com for their download. For any communication, the members may also send requests at email ID: secretarial@modernsteels.com.
14. Procedure for "Remote E-Voting"

Pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the 43rd Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- I. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- II. The remote e-voting period commences on Wednesday, the 6th September, 2017 (9.00 a.m.) and ends on Friday, the 8th September, 2017 (5.00 p.m.). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he /she shall not be allowed to change it subsequently.

A. In case a Member receives an email from NSDL:

- i) Open email and open PDF file, viz; "Modernsteels e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
- ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- iii) Click on Shareholder – Login
- iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi) Home page of "e-voting" opens. Click on "e-Voting: Active Voting Cycles".
- vii) Select "EVEN" of Modern Steels Limited.

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- viii) Now you are ready for “e-voting” as “Cast Vote” page opens.
- ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- xi) Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer through e-mail to: bkg.majestic@gmail.com or secretarial@modernsteels.com with a copy marked to evoting@nsdl.co.in.
- xii) Once you have voted on the resolution, you will not be allowed to modify your vote.

B. In case a Member receives physical copy of the Notice of AGM:

- i) Initial User ID and Password is provided with the copy of this notice in separate slip.
- ii) Please follow all steps from Sl. No. A(ii) to Sl. No. A(xi) above, to cast vote.
- III) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of www.evoting.nsdl.com
- IV. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- V. You can also update your mobile number and e-mail ID in the user profile details of the folio, which may be used for sending future communication(s).
- VI. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 2nd September, 2017.
- VII. Mr. Bhupesh Gupta, B.Com, LLB, IP, FCS, Practicing Company Secretary (Membership No. FCS 4590) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VIII. The scrutiniser shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment

of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutiniser's Report of the total votes cast in the favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

- IX. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.modernsteels.com and on the website of NSDL and communicated to the BSE Limited.

- 15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection, at the Registered Office of the Company, during normal business hours (9:00 AM to 5:00 PM) on all working days (except on public holidays), upto the date of the Annual General Meeting.

By order of the Board of Directors

Place : Chandigarh
Dated: 4th August, 2017

Ashish Sharma
GM (Secretarial) &
Company Secretary

Registered Office:

G.T. Road, Mandi Gobindgarh,
Distt. Fatehgarh Sahib, Punjab -147 301
CIN: L27109PB1973PLC003358
Email: secretarial@modernsteels.com

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 4 & 5

Mr. D. S. Gill (DIN: 00211236) and Dr. Priyavrat Thareja (DIN: 06984057) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and erstwhile Clause 49 of the Listing Agreement with the Bombay Stock Exchange. They hold office as Independent Directors of the Company upto the conclusion of the ensuing Annual General Meeting of the Company (“first term in line with the explanation to Sections 149(10) and 149 (11) of the Act).



The Nomination & Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors has recommended the appointment of Mr. D.S. Gill and Dr. Priyavrat Thareja as Independent Directors for a second term of 3 (three) consecutive years on the Board of the Company.

The Board based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr. D.S. Gill and Dr. Priyavrat Thareja would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly it is proposed to re-appoint Mr. D.S. Gill and Dr. Priyavrat Thareja as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years on the Board of the Company.

Mr. D.S. Gill and Dr. Priyavrat Thareja are not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. D.S. Gill and Dr. Priyavrat Thareja for the office of Independent Directors of the Company.

The Company has also received declarations from Mr. D.S. Gill and Dr. Priyavrat Thareja that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI (LODR) Regulations, 2015).

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 4 and 5 are provided as a part of notice pursuant to the provisions of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

Copy of the draft letters of appointment of Mr. D.S. Gill and Dr. Priyavrat Thareja setting out the terms and conditions of appointment are available for inspection by the members at the Registered Office of the Company.

Mr. D.S. Gill and Dr. Priyavrat Thareja are interested in the resolutions set out at Item Nos. 4 and 5 of the Notice with regard to their respective re-appointments.

The relatives of Mr. D.S. Gill and Dr. Priyavrat Thareja may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

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

This statement may also be regarded as an appropriate disclosure under the SEBI (LODR) Regulations, 2015.

The Board commends the Special Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the shareholders.

ITEM NO. 6

The Board of Directors of the Company at its meeting held on 27th May, 2017 has, subject to the approval of the shareholders, re-appointed Mr. Amarjit Goyal (DIN: 00219943) as Chairman & Whole Time Director of the Company for a further period of 3 years from the expiry of his present term, that is 31st March, 2017 on terms and conditions including remuneration as recommended by the Nomination & Remuneration Committee and approved by the Board.

It is proposed to seek the members approval for the re-appointment and remuneration payable to Mr. Amarjit Goyal as a Whole Time Director designated as Chairman & Whole Time Director of the Company, in terms of the applicable provisions of the Companies Act, 2013.

The Board of Directors while approving appointment of Mr. Amarjit Goyal had also approved remuneration by way of salary and perquisites for a period of three years from the date of appointment as given herein below:

TERMS & CONDITIONS:

1. SALARY:
₹ 2,00,000 (Rupees Two Lacs Only) per month.
2. PERQUISITES:
 - i) Provident Fund: Contribution towards Superannuation Fund and Provident Fund shall be as per rules of the Company.
 - ii) Gratuity: Payable at the rate not exceeding half a month's salary for each completed year of service as per rules of the Company.
 - iii) Leave: As per the rules of the Company but not exceeding one month's leave with full salary for every 11 months of service.
 - iv) Accommodation: Free furnished residential accommodation with gas, electricity, water and furnishings.
 - v) Medical Reimbursement: Reimbursement of medical expenses incurred for self and family.
 - vi) Personal Accident Insurance.

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- vii) Car: Free use of Company's car for Company's work as well as for personal purposes along with driver.
- viii) Telephone/ Telefax: Telephone, Telefax and other Communication facilities at Company's cost.
- ix) Insurance: Cost of Insurance cover against the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.
- x) Reimbursement of Expenses: Reimbursement of all expenses incurred by Mr. Amarjit Goyal during the course of and in connection with the business of the Company.
- xi) Others: Subject to any statutory ceilings, Mr. Amarjit Goyal may be given any other allowances, perquisites and facilities as the Board of Directors may decide from time to time.

The terms and conditions can be varied with mutual agreement of both parties subject however to the stipulation that the changes should be in conformity with the provisions of the Companies Act, 2013 read with Schedule V or any amendment thereof. Approval of the members is also being sought authorizing Board of Directors to accept any change in the proposed term of appointment including remuneration as may be prescribed by any Statutory/Govt. authority while giving its consent, if required.

3. MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the tenure of appointment, Mr. Amarjit Goyal shall, subject to the approval of the Central Government, if required, be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in schedule V of the Companies Act, 2013, from time to time.

Mr. Amarjit Goyal 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 appointment, except he is 82 years old. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Amarjit Goyal under Section 190 of the Companies Act, 2013.

Details of Mr. Amarjit Goyal whose re-appointment as Chairman & Whole Time Director is proposed at Item No. 6 is provided as a part of notice pursuant to the provisions of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

The Documents referred herewith and explanatory statement are open for inspection by any member at the registered office of the Company during business hours on any working day of the Company upto and including the date of meeting.

None of the Directors except Mr. Amarjit Goyal and Mr. Krishan Kumar Goyal are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The relatives of Mr. Amarjit Goyal may be deemed to be interested in the resolutions set out at Item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

ITEM NO.7

The Board of Directors of the Company at its meeting held on 27th May, 2017 has, subject to the approval of the shareholders, re-appointed Mr. Krishan Kumar Goyal (DIN: 00482035) as Managing Director of the Company for a further period of 3 years from the expiry of his present term, that is 31st March, 2017 on terms and conditions including remuneration as recommended by the Nomination & Remuneration Committee and approved by the Board.

It is proposed to seek the members approval for the re-appointment and remuneration payable to Mr. Krishan Kumar Goyal as Managing Director of the Company, in terms of the applicable provisions of the Act.

The Board of Directors while approving appointment of Mr. Krishan Kumar Goyal had also approved remuneration by way of salary and perquisites for a period of three years from the date of appointment as given herein below:

TERMS & CONDITIONS

1. SALARY
₹ 2,50,000 (Rupees Two Lacs Fifty Thousands Only) per month with such annual increments/ increases as may be decided by the Board of Directors from time to time.
2. PERQUISITES
 - i) Provident Fund: Contribution towards Superannuation Fund and Provident Fund shall be as per rules of the Company.
 - ii) Gratuity: Payable at the rate not exceeding half a month's salary for each completed year of service as per rules of the Company.



- iii) Leave: As per the rules of the Company but not exceeding one month's leave with full salary for every 11 months of service.
- iv) Accommodation: Free furnished residential accommodation with gas, electricity, water and furnishings.
- v) Medical Reimbursement: Reimbursement of medical expenses incurred for self and family.
- vi) Personal Accident Insurance.
- vii) Car: Free use of Company's car for Company's work as well as for personal purposes along with driver.
- viii) Telephone/ Telefax: Telephone, Telefax and other Communication facilities at Company's cost.
- ix) Insurance: Cost of Insurance cover against the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.
- x) Reimbursement of Expenses: Reimbursement of all expenses incurred by Mr. Krishan Kumar Goyal during the course of and in connection with the business of the Company.
- xi) Others: Subject to any statutory ceilings, Mr. Krishan Kumar Goyal may be given any other allowances, perquisites and facilities as the Board of Directors may decide from time to time.

The terms and conditions can be varied with mutual agreement of both parties subject however to the stipulation that the changes should be in conformity with the provisions of the Companies Act, 2013 read with Schedule V or any amendment thereof. Approval of the members is also being sought authorizing Board of Directors to accept any change in the proposed term of appointment including remuneration as may be prescribed by any Statutory/Govt. authority while giving its consent, if required.

3. MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year during the tenure of appointment, Mr. Krishan Kumar Goyal shall, subject to the approval of the Central Government, if required, be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in schedule V of the Companies Act, 2013, from time to time.

Mr. Krishan Kumar Goyal is also Chairman & Managing Director of M/s. Modern Dairies Limited. He is entitled to a salary of ₹ 2,50,000 (Rupees Two Lacs Fifty Thousand

Only) per month plus perquisites in that Company subject to the conformity with provisions of schedule V.

Mr. Krishan Kumar Goyal 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 appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Krishan Kumar Goyal under Section 190 of the Companies Act, 2013.

Details of Mr. Krishan Kumar Goyal whose re-appointment as Managing Director is proposed at Item No. 7 is provided as a part of notice pursuant to the provisions of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

The Documents referred herewith and explanatory statement are open for inspection by any member at the registered office of the Company during business hours on any working day of the Company upto and including the date of meeting.

None of the Directors except Mr. Krishan Kumar Goyal and Mr. Amarjit Goyal are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The relatives of Mr. Krishan Kumar Goyal may be deemed to be interested in the resolutions set out at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

ITEM NO. 8

Modern Automotives Limited is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of Directors and the Board of Directors of the Company in their meetings held on 27th May, 2017 approved the related party transactions with Modern Automotives Limited for sale, purchase of goods and to provide / avail services to / from Modern Automotives Limited, a related party, subject to a maximum aggregate transactions of ₹ 100 crores in a financial year. Under the provisions of Regulation 23 (4) of the SEBI (Listing Obligations and

NOTICE OF 43RD ANNUAL GENERAL MEETING

Disclosure Requirements) Regulations, 2015, a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The clause further provides that all material related party transactions shall require approval of the shareholders through ordinary resolution. Since the transactions with Modern Automotives Limited are estimated to be upto ₹ 100 crores in a financial year, which exceeds 10% of the annual consolidated turnover of the Company as per the audited financial statement as on 31st March, 2017, the transactions are required to be approved by the shareholders as an Ordinary Resolution. The said transactions are in the ordinary course of business of the Company and at arms length basis.

Other details as required as per the Companies (Meetings of Board and its Powers) Rules, 2014.

- (a) Name of Related Party: Modern Automotives Limited.
- (b) Name of Director or Key Managerial Personnel who is related: Mr. Amarjit Goyal, Chairman & Whole Time Director and Mr. Krishan Kumar Goyal, Managing Director of the Company.
- (c) Nature of relationship: Related Party.
- (d) Material Terms of contracts/arrangements/ transactions: Sale of finished goods / purchase of raw material i.e. scrap on arms length basis.
- (e) Monetary value: Estimated amount ₹ 100 crores in a financial year.
- (f) Any other information relevant or important for the members to make a decision on proposed transaction: Nil

The copies of contract setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out at Item No. 8 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Amarjit Goyal and Mr. Krishan Kumar Goyal along with their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

ITEM NO. 9

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 31st March, 2018 subject to the ratification of the remuneration payable to the Cost Auditors by the shareholders of the Company in accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

By order of the Board of Directors

Place : Chandigarh
Dated: 4th August, 2017

Ashish Sharma
GM (Secretarial) &
Company Secretary

Registered Office:

G.T. Road, Mandi Gobindgarh,
Distt. Fatehgarh Sahib, Punjab -147 301
CIN: L27109PB1973PLC003358
Email: secretarial@modernsteels.com

**INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED ON 9TH SEPTEMBER, 2017 PURSUANT TO REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

- 1. Name of the Director : Mr. D.S. Gill**
Date of Birth : 9th April, 1932
Date of Appointment : 27th January, 2003
Expertise in specific functional area : Mr. D.S. Gill did his graduation in Metallurgical Engineering from Banaras Hindu University and thereafter did his post graduation from USA. He has been Professor at IIT Kharagpur for 3-4 years. He has worked with various corporates for more than 35 years in various capacities. He has vast knowledge and experience in the field of Industrial Management and he has been associated with the Company since long.
Qualification : M.Sc. in Metallurgical Engineering
List of outside Directorships held : NIL
Chairman/Member of the Committee of the Board of Directors of the Company :
Audit Committee - Chairman
Nomination & Remuneration Committee - Member
Stakeholders Relationship Committee - Chairman
Allotment Committee - Member
Banking & Finance Committee - Chairman
Chairman/Member of the Committee of Directors of other Companies : NIL
Shareholding in the Company: As on 31st March, 2017, Mr. Gill is holding 500 equity shares in the Company.
- 2. Name of the Director : Dr. Priyavrat Thareja**
Date of Birth : 19th November, 1951
Date of Appointment : 26th August, 2014
Expertise in specific functional area : Dr. Thareja possesses a diverse and wide ranging experience and knowledge. He has 10 years consulting experience in Metallurgy, Foundry etc. He has academic experience of 35 years. He has specialization in Quality Management. He audits Mini Steel Plants / Foundries for ISO: 9000. He has experience of Development of processes like SWARF forming.
Qualification : B.Sc. Engg (PEC, PU), ME from IIT, Roorkee, Ph.D (PU), Diploma in German Language
List of outside Directorships held : NIL
Chairman/Member of the Committee of the Board of Directors of the Company :
Audit Committee - Member
Nomination & Remuneration Committee - Chairman
Stakeholders Relationship Committee - Member
Banking & Finance Committee - Member
Chairman/Member of the Committee of Directors of other Companies: NIL
- 3. Name of the Director : Mr. Amarjit Goyal**
Date of Birth : 21st September, 1935
Date of Appointment : 19th November, 1973
Expertise in specific functional area : Mr. Amarjit Goyal is Promoter-Director of the Company. He is a well known personality in the Indian Iron & Steel Industry, having experience in manufacturing, Rolling & marketing of Iron & Steel products. He has rich experience of Management and Administration. He holds the office of Chairman & Whole Time Director of the Company.
Qualification : F.Sc.
List of outside Directorships held : Bharat Forgings Pvt. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company : NIL
Chairman/Member of the Committee of Directors of other Companies : NIL
Shareholding in the Company : As on 31st March, 2017, Mr. Amarjit Goyal is holding 11,89,250 equity shares in the Company.
- 4. Name of the Director : Mr. Krishan Kumar Goyal**
Date of Birth : 6th September, 1956
Date of Appointment : 2nd October, 1978
Expertise in specific functional area : Mr. Krishan Kumar Goyal is energetic and dynamic person. He has a vast experience in the steel business and is well versed with the modern management practices. Mr. Goyal joined the Board as Director in October, 1978 and has been the Managing Director of the Company since 1st July, 1986. Mr. Goyal is associated with Confederation of Indian Industry (CII).
Qualification : B.Com, LLB
List of outside Directorships held :
i. Modern Dairies Limited
ii. Modern Automotives Limited
iii. PHI Business Solutions Limited
iv. Chandigarh Finance Private Limited
v. Bharat Forgings Private Limited
Chairman/Member of the Committee of the Board of Directors of the Company : NIL
Chairman/Member of the Committee of Directors of other Companies : NIL
Shareholding in the Company : As on 31st March, 2017, Mr. Krishan Kumar Goyal is holding 24,96,179 equity shares in the Company.

NOTICE OF 43RD ANNUAL GENERAL MEETING

STATEMENT OF PARTICULARS (ITEM No. 6 & 7)

(Pursuant to Schedule –V of the Companies Act, 2013)

I. General Information:

(1)	Nature of industry	Modern Steels Ltd. established in 1976, is in the business of manufacturing special and alloy steels for the last many decades. The company serves mainly to the Automobile and general Engineering Industry. The manufacturing unit of the company is located in District Fatehgarh Punjab and corporate office is located in Chandigarh.					
(2)	Date or expected date of commencement of commercial production	19 th November, 1973					
(3)	In case of new companies, expected date of commencement of activities as Wper project approved by the financial institute appearing in the prospectus	N.A					
(4)	Financial performance based on given indicators	(₹ in Lacs)					
		PARTICULARS	2016-17	2015-16	2014-15	2013-14	2012-13
		Sales & Other Income	31759	27131	32447	26676	26597
		(of which Exports turnover)	-	-	-	-	-
		Profit/ Loss before Tax	(58)	(1724)	(1840)	(1558)	(2007)
		Interest & Finance Charges	486	2713	2503	1984	1677
		Net Fixed Assets	6823	7290	7766	5126	5297
		Net Current Assets	35	(2410)	72	2636	2197
		Equity Capital	1440	1440	1440	1324	1324
		Reserves & Surplus	(2482)	(2424)	933	1032	2099
		Long term borrowings	8592	7059	8310	9140	6421
		Earnings Per Share (₹)	(0.42)	(24.39)	(8.84)	(8.47)	(10.90)
(5)	Foreign investments or collaborators, if any	Nil					



II. Information about the appointee:

		Mr. Amarjit Goyal	Mr. Krishan Kumar Goyal
(1)	Background details & Recognition or awards	Mr. Amarjit Goyal is Promoter Director of the Company. He is 82 years old. He is a well-known personality in the Indian Iron & Steel Industry, having experience in manufacturing, Rolling & marketing of Iron & Steel products. He has rich experience of Management and Administration. He holds the office of Chairman & Whole Time Director of the Company.	Mr. Krishan Kumar Goyal joined the Company in October, 1978 and he has been the Managing Director of the Company since 1 st July, 1986. He is a Commerce & Law Graduate. He is energetic and dynamic person. He has a vast experience in manufacturing industry and is well versed with the modern management practices
(2)	Past remuneration	Mr. Amarjit Goyal has drawn ₹ 24,00,000 each during the years 2016-17, 2015-16 and 2014-15.	Mr. Krishan Kumar Goyal has drawn ₹ 37,27,111, ₹ 38,04,684 and ₹ 38,04,684 during the years 2016-17, 2015-16 and 2014-15 respectively.
(3)	Job profile and his suitability	Mr. Amarjit Goyal is responsible for management under the supervision of the Board of Director of the Company. Mr. Goyal is also Chairman of the Board.	Mr. Krishan Kumar Goyal is responsible for management of the Company under the supervision and control of the Board of Directors of the Company.
(4)	Remuneration proposed	₹ 2,00,000 per month plus perquisites.	₹ 2,50,000 per month plus perquisites.
(5)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration of the appointees, Mr. Amarjit Goyal, is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile and the position of Chairman & Whole Time Director, and enriched knowledge & vast experience of the appointees. He shall be looking after and responsible for the whole affairs of the management of the Company under the supervision of the Board of Directors of the Company.	The remuneration of the appointees, Mr. Krishan Kumar Goyal is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile and the position of Managing Director and enriched knowledge & vast experience of the appointees. He shall be looking after and responsible for the whole affairs of the management of the Company under the supervision of the Board of Directors of the Company.
(6)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Amarjit Goyal is one of the Promoters and shareholder of the Company. He is father of Mr. Krishan Kumar Goyal, who is Mg Director of the Company.	Mr. Krishan Kumar Goyal has been the Managing Director of the Company since 1 st July, 1986. He is son of Mr. Amarjit Goyal, who is Promoter Director & Chairman of the Company. He is the shareholder of the Company.

NOTICE OF 43RD ANNUAL GENERAL MEETING

III Other information:

(1)	Reasons of loss or inadequate profits	<p>The Company faced financial difficulties due to the following external factors:</p> <p>The fiscal year 2013-14 continued to witness slowdown in the domestic automobile and consumer durable market. It adversely affected the demand of alloy steel sector which caters to this segment and remained under stress.</p> <p>The challenge from the primary steel producers, mainly having the captive coal-mine advantage, affected the EAF market domain. This was one of the major reason of difficulties for the Secondary Steel Producers.</p> <p>The input cost of raw materials continued to increase during the year and could not be passed onto the consumer. The high interest rates and liquidity position in the market impacted the automobile sector.</p> <p>In spite of the continuous losses, the Company has paid interest and repayment of term loans, which has eroded the margin money for working capital. The shortage of Working Capital resulted into low capacity utilization and the lower volumes.</p>
(2)	Steps taken or proposed to be taken for improvement	<p>The current market scenario for the company has turned positive due to cancellation of coal mines allotted to primary steel producers by Hon'ble Supreme Court which has brought a level playing field for both the primary steel producers and the secondary steel producers.</p> <p>Further, the company is now working in close association with Japanese Auto Majors in the country i.e. Honda Motorcycle & Scooter & Honda Cars India. This has given technical strength & approval of company's products for the consumption of auto majors for their ancillaries.</p> <p>Auto sector has turned positive and there is regular increase off-take, particularly for two wheelers & car segment, which is company's major focus.</p> <p>We are quite sure that based on company's strengths i.e. Infrastructure, Technical Strengths, Excellent Customer Base, Professional Team & the Business Strategy, the unit will be able to honor all its commitments to the creditors, suppliers, vendors and to the stake holders. The performance of the company will improve in the times ahead from these initiatives.</p>
(3)	Expected increase in productivity and profits in measurable terms.	<p>As is clear from the above, the Company on its way of success is passing through a difficult time and it requires more efforts on the part of the Executive Directors of the Company to take the Company forward on its journey to success.</p> <p>The management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales and profitability of the Company. Considering the present business scenario, the Company is expecting increase in revenue and profitability. The Management is confident of achieving a higher growth in the period to come.</p>

IV. Disclosures

The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance", attached to the Annual Report.

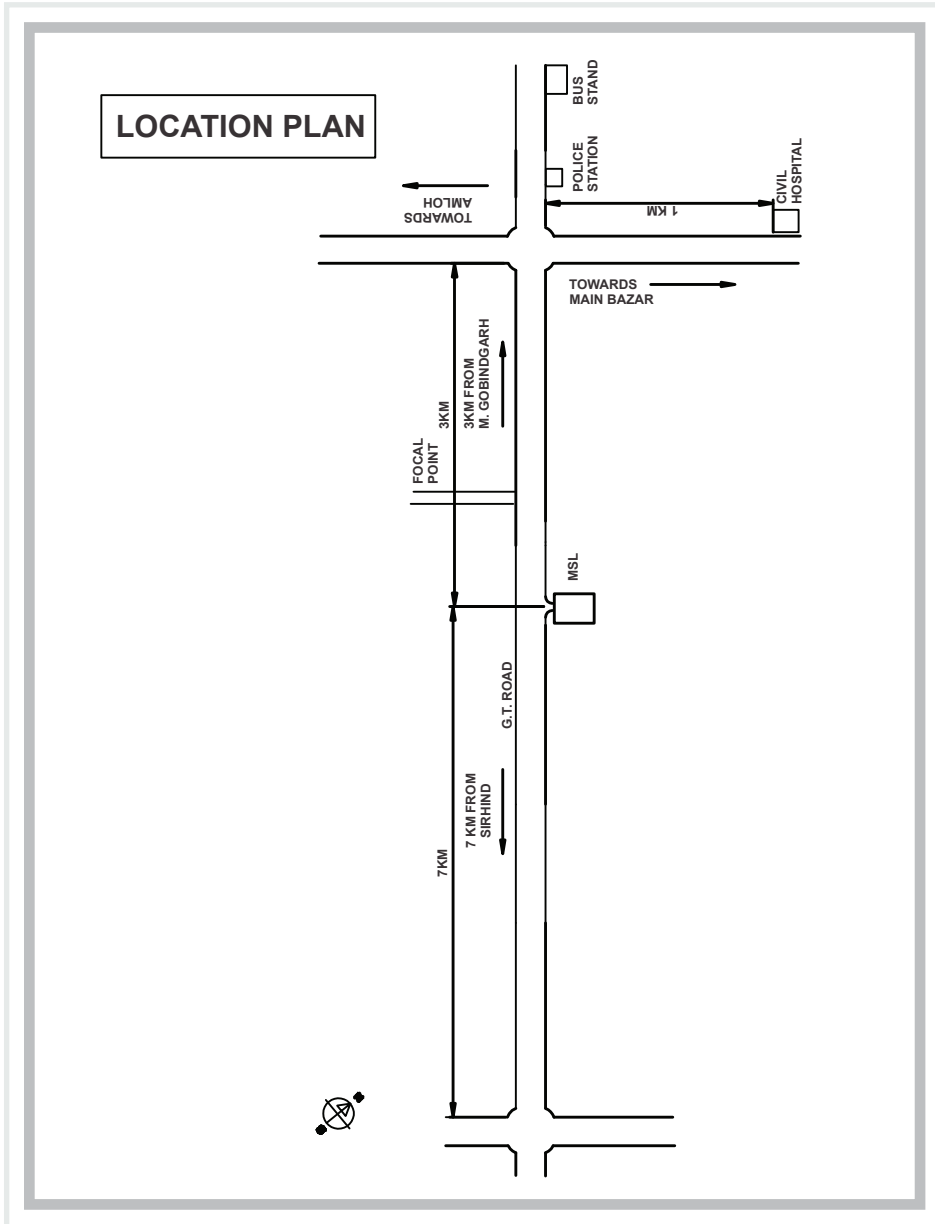
- i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc of all the Directors.
- ii. Details of fixed component and performance linked incentives along with the performance criteria.
- iii. Service contracts, notice period, severance fees.
- iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The necessary disclosure will be made in the Corporate Governance Report.



ROUTE MAP TO THE AGM VENUE

Venue: Modern Steels Limited: G.T. Road, Mandi Gobindgarh,
Distt. Fatehgarh Sahib, Punjab 147301



MODERN STEELS LIMITED

CIN: L27109PB1973PLC003358

Registered Office: G.T. Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab 147301

Email: secretarial@modernsteels.com, Website: www.modernsteels.com

Phone: (0172) 2609001/2, Fax: (0172) 2609000

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholder,

In case you have not registered your email address for receiving communication from Company in electronic mode, you may submit the Registration Form given herein below to the Share Transfer Agents namely M/s. MCS Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110 020 or to the Company at its office at Modern Steels Limited, S.C.O. 98-99, Sub City Centre, Sector 34, Chandigarh-160 022. Shareholders holding shares in demat mode are requested to register their email addresses with their Depository Participants.

E-COMMUNICATION REGISTRATION FORM

**(As per the provisions of the Companies Act, 2013 and the rules made thereunder and the SEBI
(Listing Obligation and Disclosure Requirements) Regulations, 2015)**

Folio No. / DP ID & Client ID :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

Registered Address :

E-mail ID (to be registered) :

I/we shareholder(s) of Modern Steels Limited agree to receive communication from the Company in electronic mode. Please register my/our above e-mail id in your records for sending communication through e-mail.

Signature:

Date:

Note : Shareholder(s) are requested to keep the Company / Depository Participant informed as and when there is any change in the e-mail address.



ATTENDANCE SLIP

MODERN STEELS LIMITED

CIN: L27109PB1973PLC003358

Registered Office: G.T. Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab 147301

Email: secretarial@modernsteels.com, **Website:** www.modernsteels.com

Phone: (0172) 2609001/2, **Fax:** (0172) 2609000

43RD ANNUAL GENERAL MEETING

Member's / Proxy's name in Block Letters _____

Address _____

No. of Shares held _____

I / We hereby record my/our presence at the 43rd Annual General Meeting of the Company held on **Saturday, the 9th September, 2017 at 11:00 a.m.** at the Registered Office of the Company at G.T. Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab 147301.

Member's Folio / DP ID-Client ID No.

Member's/Proxy's signatures

Note:

1. Please complete the Attendance Slip and handover at the entrance of the Meeting venue.
2. Soft copy of the Annual Report for FY 2016-17 and the Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Depository Participant through email only unless any member has requested for a hard copy of the same. Members receiving soft copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy and copy of the Annual Report for 2016-17 is being sent separately.
4. Shareholders are requested to bring their copy of the Notice alongwith them at the Annual General Meeting as the copies of the same will not be distributed at the meeting.





PROXY FORM

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management & Administration) Rules, 2014]

MODERN STEELS LIMITED

CIN: L27109PB1973PLC003358

Registered Office: G.T. Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab 147301

Email: secretarial@modernsteels.com, **Website:** www.modernsteels.com

Phone: (0172) 2609001/2, **Fax:** (0172) 2609000

Name of the member(s): _____

Registered Address: _____

Email ID: _____

Folio No./Client ID/DPID: _____

I/We, being the member(s) of _____ holding _____ shares of above named Company, hereby appoint:-

- | | | |
|-----------------|------------------|--------------------|
| 1. Name: _____ | Address: _____ | |
| Email ID: _____ | Signature: _____ | or failing him/her |
| 2. Name: _____ | Address: _____ | |
| Email ID: _____ | Signature: _____ | or failing him/her |
| 3. Name: _____ | Address: _____ | |
| Email ID: _____ | Signature: _____ | |

or my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43rd Annual General Meeting of the Company, to be held on **Saturday, the 9th September, 2017 at 11:00 a.m.** at Registered Office: G.T. Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab 147301 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

- Adoption of Audited Balance Sheet as at 31st March, 2017, Statement of Profit & Loss for the year ended on that date, and the Directors' and Auditors' Reports thereon.
- Reappointment of Mr. Krishan Kumar Goyal (DIN: 00482035), who retires by rotation.
- Ratification of appointment and remuneration of M/s. Aaryaa & Associates, Chartered Accountants, as Statutory Auditors.

Special Business

- Re-appointment of Mr. D.S. Gill (DIN: 00211236) as an Independent Director.
- Re-appointment of Dr. Priyavrat Thareja (DIN: 06984057) as an Independent Director.
- Re-appointment of Mr. Amarjit Goyal (DIN: 00219943) as Chairman & Whole Time Director of the Company.
- Re-appointment of Mr. Krishan Kumar Goyal (DIN: 00482035) as Managing Director of the Company.
- Approval of the material related party transactions with Modern Automotives Limited.
- Ratification of remuneration of Cost Auditors for the financial year 2017-18.

Signed this ____ day of _____ 2017

Signature of Shareholder

Signature of Proxy holder(s)

Affix
revenue
stamp
₹1

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

