

NOTICE

Notice is hereby given that the 10th Annual General Meeting ("AGM") of the Members of Hero Steels Limited will be held on Thursday, September 03, 2020 at 10.00 a.m. at the registered office of the Company at 264, Okhla Industrial Estate Phase-III, New Delhi 110020, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements including audited Balance Sheet as at 31st March, 2020, Statement of Profit & Loss Account and Cash Flow Statement for the period ended on that date along with the schedules and notes appended thereto together with reports of the Auditors and Board of Directors thereon.
2. To appoint a Director in place of Mr. Suman Kant Munjal (DIN: 00002803), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. To appoint a Director in place of Ms. Shefali Munjal (DIN: 01336733), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.

SPECIAL BUSINESS:

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

TO RATIFY REMUNERATION OF COST AUDITORS OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the re-appointment of M/s. Khushwinder Kumar & Co. (bearing FRN 100123), Cost Accountants, Jalandhar Punjab, as Cost Auditor of the Company to conduct audit of Cost Records of the Company for the Financial Year 2020-21, at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus service tax and other applicable taxes, if any and out of pocket expenses incurred for the purpose of Cost Audit, be and is hereby approved by way of Ordinary Resolution.

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



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

TO REGULARIZE APPOINTMENT OF MR JOGENDRA SINGH (DIN: 01962316) ADDITIONAL DIRECTOR OF THE COMPANY

“RESOLVED THAT consent of the shareholders be and is hereby accorded, by way of Ordinary Resolution, for the appointment of Mr. Jogendra Singh (DIN 01962316) who was appointed as an Additional Director of the Company with effect from 8th June, 2020 by the Directors of the Company through circulation, pursuant to the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, whose term expires at this Annual General Meeting and being eligible for appointment as the Director, as a Director of the Company.”

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

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

TO APPROVE RELATED PARTY TRANSACTIONS OF THE COMPANY

RESOLUTION NO-01

“RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) as amended from time to time, approval of the shareholder be and is hereby accorded by way of Ordinary Resolution to enter into contracts/arrangements being related party transaction for sale of goods upto Rs 18 Lacs per annum with M/s Hero MotoCorp Limited for a period of one year w.e.f. April 01, 2020.

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

RESOLUTION NO-02

“RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) as amended from time to time, approval of the shareholder be and is hereby accorded by way of Ordinary Resolution to enter into contracts/arrangements being related party transaction for sale of goods upto Rs. 50 Crores per annum with M/s Rockman Industries Limited for a period of one year w.e.f. April 01, 2020.

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

RESOLUTION NO-03

“RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, approval of the shareholder be and is hereby accorded by way of Ordinary Resolution to enter into a contract, being related party transaction with M/s Hero Corporate Service Private Limited for availing corporate advisory services for a period of 3 years w.e.f 1st April, 2020 for an amount of Rs. 60 Lakhs p.a. plus applicable taxes with escalation of 5 % every year.

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

RESOLUTION NO-04

“RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') as amended from time to time, approval of the shareholder be and is hereby accorded by way of Ordinary Resolution to, to enter into contracts/arrangements being related party transaction for availing training and miscellaneous support services upto Rs. 20 Lacs per annum with Hero Mindmine Institute Private Limited for a period of three years w.e.f August 01, 2020 to July 2023.

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

RESOLUTION NO-05

“RESOLVED THAT pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') as amended from time to time, the approval of the shareholder be and is hereby accorded by way of Ordinary Resolution to enter into contracts/arrangements being related party transaction for sale of structured steel upto Rs. 10 Crores per annum with Hero Realty Private Limited for a period of one year w.e.f August 01, 2020.

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

By Order of the Board

For Hero Steels Limited



Pooja Damir Miglani

Company Secretary

M. No: A25988

Add.: Hero Nagar, Sua Road, Ludhiana

Punjab 141003

Date: July 17, 2020

Place: Ludhiana, Punjab

NOTES:

1. Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 is annexed hereto and forms part of the notice.
2. Disclosure as required under the Secretarial Standard - 2 on General Meeting is annexed to this Notice of Annual General Meeting.
3. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself and the proxy need not be a member of the Company.
4. 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.
5. A member holding more than ten percent (10%) 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 shareholder.
6. The instrument(s) appointing the proxy, if any, should be delivered at the registered office of the Company at 264, Okhla Industrial Estate Phase-III, New Delhi 110020, not less than 48 (forty eight) hours before the commencement of the meeting. The instrument of proxy if received in default of above shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
7. Members are requested to notify immediately any change in their addresses to the Company at its Registered Office.
8. Corporate members intending to send their authorized representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution or Power of Attorney (POA) authorizing their representative to attend and vote at the meeting.
9. All documents referred to in the notice and Explanatory Statement are open for inspection by the members at the registered office of the Company on all working days during business hours upto the date of the AGM.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the companies Act, 2013 ("the Act"), and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be applicable for inspection at the AGM.
11. Members/proxies should bring duly filled Attendance Slip to attend the meeting.

By Order of the Board

For Hero Steels Limited

Pooja Damir Miglani

Company Secretary

M. No: A25988

Add.: Hero Nagar, Sua Road, Ludhiana
Punjab 141003

Date: July 17, 2020
Place: Ludhiana, Punjab

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

Pursuant to provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors is required to be approved by the shareholders of the Company.

The Board of Directors in its meeting held on July 17th 2020, on the recommendation of Audit Committee, has re-appointed M/s. Khushwinder Kumar & Co., Cost Accountants, Jalandhar, Punjab for auditing the Cost Accounting Records of the Company for the Financial Year 2020-21 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus service tax and other applicable taxes, if any and out of pocket expenses incurred for the purpose of audit, the remuneration of auditors needs to be approved by the shareholders of the Company.

The Board recommends the resolution for the approval of members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested either financially or otherwise in the above said resolutions, except to the extent of their shareholding, if any.

Item No. 5

Mr. Jogendra Singh (DIN 01962316) was appointed as an Additional Director of the Company w.e.f. 8th June, 2020 by the Directors through circulation, pursuant to the provisions of Section 161 of the Companies Act, 2013 to hold office upto the date of current Annual General Meeting of the Company.

The Company has received notice in writing under the provision of section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. Jogendra Singh (DIN 01962316) for the office of director.

Your Directors consider that the Company would be benefited by the mature advice of Mr. Jogendra Singh and accordingly recommend the resolution to be passed by the shareholders as an Ordinary Resolution.

Mr. Jogendra Singh (DIN 01962316), to whom the resolution relates, is interested in the proposed resolution.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested either financially or otherwise in the above said resolutions, except to the extent of their shareholding, if any.

Item No. 6

The Audit Committee noted that the proposed related party transactions are in the ordinary course of business and at arms' length price and approved them. However as a matter of high quality

Corporate Governance. Committee members recommend it to be placed before the shareholders for their approval.

The Board recommends the resolutions for the approval of members as an Ordinary Resolution.

The details of the proposed transaction in terms of provisions of Section 188 of the Act read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act, if any, are as under:-

For Resolution No-01 and 02

1	Name of the related party	Hero MotoCorp Limited	Rockman Industries Limited
2	Nature of relationship	Mr. Suman Kant Munjal is common directors.	Mr. Sunil Kant Munjal and Mr. Suman Kant Munjal are common directors.
3	Nature of the contract or arrangement	Sale of goods	Sale of goods
4	Duration of the contract or arrangement	April, 2020 to March, 2021	April, 2020 to March, 2021
5	Particulars of the contract or arrangement	Sale of Cold Rolled coils/ sheets. Purchase orders are received from them as per their requirement specifying the prices, terms of delivery which are mutually decided upon, depending upon market conditions	Sale of Cold Rolled coils/ sheets. Purchase orders are received from them on monthly basis specifying the prices, terms of delivery which are mutually decided upon, depending upon market conditions
6	Material terms of the contract or arrangement	(Varies upon market conditions)	(Varies upon market conditions)
7	Value of the contract or arrangement	Rs. 18 Lacs	Up to Rs. 50 Cr
8	Any advance paid or received for the contract or arrangement, if any	No	No
9	The manner of determining the pricing and other commercial terms, included as part of contract	Market being competitive, prices and other commercial terms are decided in concurrence with the market conditions	Market being competitive, prices and other commercial terms are decided in concurrence with the market conditions
10	The manner of determining the pricing and other commercial	None	None

	terms. not considered as part of the contract.		
11	Whether all factors relevant to the contract have been considered. if not, the details of factors not considered with the rationale for not considering those factors	Yes	Yes
12	Justification of entering into the contract or arrangement.	Long association with the Company in terms of supplying to their vendors and HMCL itself requires samples for their business. Hence the need for the same.	They have requirement of goods to the tune of Rs 2.50 Cr to Rs 4 Cr every month and is one of the prestigious customers. Hence the need for the same.
13	Any other information relevant or important for the Board to take a decision on the proposed transaction	Statutory certificate shall be placed before Audit Committee on quarterly basis.	Auditors certificate shall be placed before Audit Committee on quarterly basis.

For Resolution No-03

1	Name of the related party	Hero Corporate Service Limited
2	Nature of relationship	Mr. Sunil Kant Munjal, Mr. Suman Kant Munjal and Ms. Shefali Munjal are common directors.
3	Nature of the contract or arrangement	To avail the advisory services on matters related to Strategic planning & projects, marketing, Treasury and Finance, Human Resource Development, etc
4	Duration of the contract or arrangement	3 years (1 st April 2020 to 31 st March 2023)
5	Particulars of the contract or arrangement	Providing advisory services on matters related to: <ul style="list-style-type: none"> - Strategic planning & projects, marketing; - Treasury and Finance. - Human Resource Development and Personnel; Providing updates on changes in economic policies and reforms, labour legislation, etc.
6	Material terms of the contract or arrangement	<ul style="list-style-type: none"> - Payment to be made monthly; - An escalation of 5% every year;

7	Value of the contract or arrangement	Upto Rs. 60 lakhs per annum, plus applicable taxes, with an escalation of 5% every year.
8	Any advance paid or received for the contract or arrangement, if any	No
9	The manner of determining the pricing and other commercial terms, included as part of contract	As per market rates
10	The manner of determining the pricing and other commercial terms, not considered as part of the contract.	None
11	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors.	Yes
12	Justification of entering into the contract or arrangement.	Long association with the Company and understanding of business needs.
13	Any other information relevant or important for the Board to take a decision on the proposed transaction.	Certificate from Auditors shall be placed at the meeting.

For Resolution No-04 and 05

1	Name of the related party	Hero Mindmine Institute Private Limited	Hero Realty Private Limited
2	Nature of relationship	Mr. Sunil Kant Munjal and Ms. Shefali Munjal are common directors	Mr. Sunil Kant Munjal and Mr. Jogendra Singh are common directors.
3	Nature of the contract or arrangement	To avail miscellaneous support service including ISO certification and trainings.	Sale of goods
4	Duration of the contract or arrangement	For a period of 3 years w.e.f. August 2020	August, 2020 to July, 2021
5	Particulars of the contract or arrangement	The training is to be imparted in the following areas:- a) Channel Sales b) Video Creation c) Key Account	Sale of structured steels

		management d) MS Excel	
		Miscellaneous support service including ISO certification.	
6	Material terms of the contract or arrangement	The aggregate amount of training for a financial year will not exceed Rs. 20.00 Lakhs p.a. The fees for each training would be based on kind of training and level of participants, the details of which are as under:- Junior to Mid-Level Programs – Rs. 15,000/- Per Day Special Programs – Rs. 25,000/- Per Day	(Varies upon market conditions)
7	Value of the contract or arrangement	Rs. 20 Lakhs p.a.	Up to Rs. 10 Crs per annum plus applicable taxes.
8	Any advance paid or received for the contract or arrangement, if any	No	No
9	The manner of determining the pricing and other commercial terms, included as part of contract	At market rates.	Market being competitive, prices and other commercial terms are decided in concurrence with the market conditions
10	The manner of determining the pricing and other commercial terms, not considered as part of the contract.	None	None
11	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors	Yes	Yes

12	Justification of entering into the contract or arrangement.	Long association with the Company and understanding of business needs.	They have requirement of steel to the tune of Rs 10 Crs yearly and is one of the promising customers. Hence the need for the same.
13	Any other information relevant or important for the Board to take a decision on the proposed transaction	Certificate from Auditors shall be placed at the meeting.	Statutory Auditors certificate shall be placed before Audit Committee on quarterly basis.

Mr. Sunil Kant Munjal, Mr. Suman Kant Munjal and Ms. Shefali Munjal, are interested in the said matter. No other Director and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above are concerned or interested, financially or otherwise, in the above said resolution, except to the extent of their shareholding, if any.

By Order of the Board

For Hero Steels Limited



Pooja Damir Miglani

Company Secretary

M. No: A25988

Add.: Hero Nagar, Sua Road, Ludhiana

Punjab 141003

Date: July 17, 2020

Place: Ludhiana, Punjab

ANNEXURE-1 TO THE NOTICE OF ANNUAL GENERAL MEETING

DISCLOSURE RELATING TO DIRECTORS PURSUANT TO SECRETARIAL STANDARDS ON GENERAL MEETING:

A.

Name of the director	Mr. Suman Kant Munjal
Date of Birth/Age	February 26, 1953/ around 67 years
Date of First Appointment	July 16, 2010
Qualification	Graduate in Commerce
Shareholding in the Company	NIL
Experience	45 years app.
Terms and conditions of appointment and re-appointment along with remuneration sought to be paid	Non Executive Director
Remuneration Last drawn	N.A.
No. of Equity shares held in the Company	NIL
No. of meetings of the Board attended during FY-2019-20	3 (Three)
List of outside Directorships held (Public Limited Companies)	<ol style="list-style-type: none"> 1. Rockman Industries Limited 2. Survam Infrastructure Limited 3. Hero Motocorp Limited 4. Halo General Insurance Limited
List of outside Directorships held (Private Limited Companies/LLP)	<ol style="list-style-type: none"> 1. Rockman Auto Private Limited 2. Bahadur Chand Investments Pvt Ltd. 3. Hero Investcorp Private Limited 4. Munjal Acme Packaging Systems Private Limited 5. Hero Corporate Service Private Limited 6. My Box Technologies Private Limited 7. Hero Electronix Private Limited 8. Tessolve Semiconductors Private Limited 9. Rockman Advanced Composites Private Limited (Formerly called Moldex Composites Private Limited) 10. Survam Private Limited

List of outside Directorships held (Non Profit Organization)	1. BML Educorp Services 2. BMU Incubation Foundation
---	---

Chairman / Member of the Committee of the Board of Directors of the Company

(1) Corporate Social Responsibility Committee	1. N.A.
(2) Nomination and Remuneration Committee	2. NA
(3) Audit Committee	3. NA

Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director (eight)

Relationship with other Directors, Manager and Key Managerial Personnel	Cordial Relationship
---	----------------------

B.

Name of the director	Ms. Shefali Munjal
Date of Birth/Age	October 14, 1976/ 44 years
Date of First Appointment	July 16, 2010
Qualification	B. Com. Hons. and M.Sc. in Engineering Business Management
Shareholding in the Company	1 Equity Share (holding on behalf of Global IVY Ventures LLP)
Experience	20 Years
Terms and conditions of appointment and re-appointment along with remuneration sought to be paid	Non Executive Director
Remuneration Last drawn	N. A.
No. of Equity shares held in the Company	1 Equity Share (holding on behalf of Global IVY Ventures LLP)
No. of meetings of the Board attended during FY-2019-20	3 (Three)
List of outside Directorships held (Public Limited Companies)	NIL

List of outside Directorships held (Private Limited Companies/LLP)	12 (Twelve)
List of outside Directorships held (Non Profit Organization)	N.A.
Chairman / Member of the Committee of the Board of Directors of the Company	NIL
(2) Corporate Social Responsibility Committee	
(2) Nomination and Remuneration Committee	
(3) Audit Committee	
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director	NIL
Relationship with other Directors, Manager and Key Managerial Personnel	Cordial Relationship

Form No. MGT-11

PROXY FORM

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

Name of the Company: HERO STEELS LIMITED

CIN: U28999DL2010PLC205966
Regd. Office: 264, Okhla Industrial Estate,
Phase III New Delhi, South Delhi, DL 110020

Name of the member(s):
Registered Address:
E. Mail Id:..... Folio No./Client Id:.....
DP ID:.....

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

1. Name:..... Address..... E mail ID..... Signature:..... or failing him
2. Name:..... Address..... E mail ID..... Signature:..... or failing him
3. Name:..... Address..... E mail ID..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Thursday, September 03, 2020 at 10.00 a.m. at its registered office at 264, Okhla Industrial Estate, Phase III New Delhi, South Delhi, DL 110020 and at any adjournment thereof in respect of such resolutions indicated in the Notice of AGM.

Signed this.....day of2020

Signature of shareholder

Signature of Proxy holder(s)

Affix Re. 1
Revenue
stamp

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.

ADMISSION SLIP

Name of the Company: HERO STEELS LIMITED

CIN: U28999DL2010PLC205966
Regd. Office: 264, Okhla Industrial Estate,
Phase III New Delhi, South Delhi, DL 110020

Folio No.:	DP ID #
No. of Shares held:	Client ID #

I hereby record my presence at the 10th Annual General Meeting of the Company being held on Thursday, September 03, 2020 at 10.00 a.m. at its registered office at 264, Okhla Industrial Estate, Phase III New Delhi, South Delhi, DL 110020

Name of the Member (in block letters)
Name of the Proxy-holder/ Authorised representative* (in block letters)

- * Applicable for investors holding shares in dematerialised form.
- * Strike out whichever is not applicable.

Signature of the Member/Proxy/Authorised representative*

- Notes:**
1. A Member/Proxy/Authorised representative wishing to attend the meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.
 2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the time fixed for the Meeting.

ROUTE MAP OF HERO STEEL LIMITED

0



Handwritten signature

