

**NOTICE**

Notice is hereby given that an Extraordinary General Meeting (“EGM”) of the Members of Hero Steels Limited will be held on Monday, December 07, 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 special business:

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

**APPROVAL OF RELATED PARTY TRANSACTION WITH BML INVESTMENTS PRIVATE LIMITED**

“**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 a related party transaction with BML Investments Private Limited, to use the trade mark ‘Hero’, for a period of 10 years, upon the payment of royalty fee, the details of which are as under, with effect from April 1, 2020:

Period	Royalties
If Company's Profit before Tax for the relevant financial year is negative	INR 5,00,000 per annum
If Company's Profit before Tax for the relevant financial year is positive	0.5% of Licensee's Operating Revenue * subject to a minimum of INR 5,00,000 per annum *Operating Revenue means Revenue from Operations net of GST, if any

“**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.”

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

**RE-APPOINTMENT OF MR. SUSHIL KUMAR ROONGTA (DIN: 00309302) AS AN INDEPENDENT DIRECTOR**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Sushil Kumar Roongta (DIN: 00309302), who holds office of Independent Director up to January 12, 2021 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and in respect of whom the Company has received a notice in

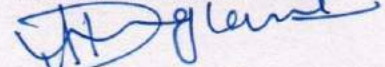
writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Sushil Kumar Roongta's candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from January 13, 2021 upto January 12, 2026".

**"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."

**Date: November 13, 2020**  
**Place: Ludhiana, Punjab**

**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

## 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 Extraordinary General Meeting.
3. A member entitled to attend and vote at the Extra ordinary 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 EGM.
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.

**Date: November 13, 2020**  
**Place: Ludhiana, Punjab**

**By Order of the Board**

**For Hero Steels Limited**

**Pooja Damir Miglani**

Company Secretary

M.No: A25988

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

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

### Item No. 1

The Audit Committee noted that the proposed related party transaction is in the ordinary course of business but its arm's length of prices cannot be determined. Therefore Audit Committee members recommend it to be placed before the Board of Directors for seeking shareholder's approval.

The Board recommends the resolution 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:-

1	Name of the related party	<b>BML Investments Private Limited (hereinafter referred to as BML)</b>
2	Nature of relationship	Related Party – Mr. Sunil Kant Munjal and Ms. Shefali Munjal are common directors.
3	Nature of the contract or arrangement	Trade Mark License Agreement for the use of the trademark 'Hero'.
4	Duration of the contract or arrangement	For a period of 10 years w.e.f 1 <sup>st</sup> April, 2020.
5	Particulars of the contract or arrangement	BML is the proprietor of the trade mark 'Hero' and the Company is desirous of continuing to use the said trademark as part of its corporate name and otherwise in its day to day businesses, upon the payment of royalty fees.
6	Material terms of the contract or arrangement	The payment of Royalties shall be made on an annual basis. The Agreement is for a period of 10 years w.e.f 1 <sup>st</sup> April, 2020.
7	Value of the contract or arrangement	<ul style="list-style-type: none"><li>• If Company's Profit before Tax for the relevant financial year is negative : INR 5,00,000 per annum;</li><li>• If Company's Profit before Tax for the relevant financial year is positive: 0.5% of Licensee's Operating Revenue* subject to a minimum of INR 5,00,000 per annum. (*Operating Revenue means Revenue from Operations net of GST, if any)</li></ul>
8	Any advance paid or received for the contract or arrangement, if any	Nil
9	The manner of determining the pricing and other commercial terms, included as part of contract	The proposed transaction is between the group entities and nominal amount will be paid as royalty for the trademark being used.
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	Yes

	rationale for not considering those factors.	
12	Justification of entering into the contract or arrangement.	The Company has been using trade mark 'Hero' as part of its corporate name and otherwise in its day to day businesses, with the consent and permission of BML.
13	Any other information relevant or important for the Board to take a decision on the proposed transaction.	None

Mr. Sunil 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.

#### Item No. 2

Mr. Sushil Kumar Roongta, was appointed as an Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Extra Ordinary General Meeting held on February 15, 2016 to hold office upto January 12, 2021 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.).

The Nomination & Remuneration Committee at its Meeting held on November 13, 2020 after taking into account the performance evaluation of Mr. Sushil Kumar Roongta Independent Director, during his first term of five years and considering his knowledge, acumen, expertise and experience in his respective fields and the substantial contribution made by him during his tenure as an Independent Director since his appointment, has recommended to the Board that continued association of Mr. Sushil Kumar Roongta, Director as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of Mr. Sushil Kumar Roongta, Director as an Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from January 13, 2021 upto January 12, 2026 and not liable to retire by rotation. The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Sushil Kumar Roongta for his appointment to the office of Independent Directors.

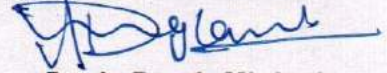
Assessment of performance of Mr. Sushil Kumar Roongta was done by every Board Member on a phone call with him and every member felt that he is well qualified for the position of an Independent Director of the Company for second tenure of five years. Accordingly Nomination and Remuneration Committee recommends the re-appointment of Mr. Sushil Kumar Roongta as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from January 13, 2021 upto January 12, 2026.

Terms and Conditions of appointment to be decided mutually.

Brief profile and the details as per Secretarial Standard – 2 of the Mr. Sushil Kumar Roongta, Independent Directors is annexed as **Annexure- A** as under:

**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: November 13, 2020**  
**Place: Ludhiana, Punjab**

## ANNEXURE-A TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING

**Mr. S.K. Roongta (aged 70 years)** is an Electrical Engineering graduate from BITS, Pilani and PG Diploma in Business Management (International Trade) from IIFT, New Delhi- Gold Medallist. He is regarded as one of the prominent experts on Strategy and turnaround in Manufacturing Industry in India having experience of app. 48 years. Known for this strategic acumen, Mr. Roongta is the key person referred to by the Industry as well as Government for various issues related to mining, metals and power sectors and has been part of various Government and industry forums and expert panels.

He joined Steel Authority of India Ltd (SAIL) as Executive (Marketing) in 1972 and rose to become its Chairman (2006-2010). His astute vision of the micro aspect of the business, global and strategic vision helped him transform SAIL from a position of just a large steel PSU to a steel company admired throughout the world. At the peak of the global meltdown in 2008-09, his key initiatives and deft handling helped SAIL become one of the few companies to emerge stronger from the crisis. The post meltdown performance of SAIL was hailed as a breakthrough achievement by any Indian corporate. Under his leadership SAIL was adjudged by World Steel Dynamics, USA as the 2nd best steel company globally (next to POSCO).

In June 2011, Mr. Roongta joined Vedanta Ltd- a globally diversified resource company as its Managing Director, Aluminium and Power Business (Turnover of \$ 3 billion). During his four year stint with the group (till May 2015), he could bring about significant improvements in asset utilization, financial and operational performance and took strategic steps for long term raw materials security. He is presently non-executive Chairman – Bharat Aluminium Company Ltd (BALCO) and Talwandi Sabo Power Ltd (TSPL), both Vedanta group companies. He also serves as Principal Advisor, Essar Steel India Ltd.

He serves as Independent Director on the Boards of ACC Limited. He had earlier served as Independent Director on the Boards of Axis Bank Ltd, Hindustan Petroleum Corpn Ltd (HPCL), the Shipping Corporation of India Ltd (SCI), Jubilant Agri and Consumer Products Limited, SPML Infra Ltd. and Neyveli Lignite Corpn Ltd (NLC).

His report as Chairman of "Panel of Experts on reforms in the Central PSEs", constituted by the Planning Commission (2010-2011), widely known as the 'Roongta Committee Report', is taken as the benchmark for CPSE reforms. He was also a member of the Steering Committee on Industry for the 12th Five Year Plan (2011-2013) and Chairman of one of the working groups on 'Reforming Role of CPSEs'. He also served as a member of the committee formed by the Ministry of Corporate Affairs (2011), to formulate a policy document on Corporate Governance.

He served as Chairman, Board of Governors, IIT Bhubneshwar (2012-2015) and is a Member of Board of Management, JKL University, Jaipur.

He holds several important positions in various apex chambers, being Chair of Steel and Metal committee of FICCI, Member of the Managing Committee of PHD Chamber of Commerce & Industry and Chair of National Expert Committee on Minerals and Metals of the Indian Chamber of Commerce (ICC). He is also a fellow member of the All India Management Association.

He is recipient of several awards and accolades including SCOPE Award for Excellence and Outstanding Contribution to the Public Sector Management- Individual Category and Alumnus of the Year Award- IIFT.

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 an Extraordinary General Meeting of the Company, to be held on Monday, December 07, 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 of .....2020

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 an Extraordinary General Meeting of the Company being held on Monday, December 07, 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

