



## **NOTICE TO MEMBERS**

Notice is hereby given that the **Thirty-Sixth Annual General Meeting ('AGM')** of the members of **R. L. Steels & Energy Limited** will be held on **Friday, the 30<sup>th</sup> September, 2022 at 11.00 a.m. IST** at C-1/A, Nizamuddin East, Opp: Arya Samaj Mandir, Mathura Road, New Delhi-110013 to transact the following business:

### **AS ORDINARY BUSINESS**

#### **Item No.1: Adoption of Financial Statements.**

To adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and the Auditors thereon.

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

**“RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of Board of Directors and Auditors thereon, as circulated to the Members be and are hereby considered and adopted.”

#### **Item No.2: Re-appointment of Shri. Sunil Todi (DIN: 00061952) who retires by rotation as a Director.**

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

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Articles of Association of the Company, Shri. Sunil Todi (DIN: 00061952) who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company.”

#### **Item No.3: To appoint M/s. A.K. Bagadia & Co., Chartered Accountants, Mumbai as Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 36th Annual General Meeting of the Company until the conclusion of the 41th Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.**

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), M/s. A.K. Bagadia & Co., Chartered Accountants, Mumbai (Firm Registration No.: 100846W) be and are hereby appointed as Statutory Auditor of the Company in place of M/s. Jaju & Kabra, Chartered Accountants (Firm's Registration No. 140398W), the retiring statutory auditor, to hold the office from the conclusion of the 36th Annual General Meeting until the conclusion of the 41th Annual General Meeting of the Company to be held in the year 2027 at such remuneration (plus goods and services tax and reimbursement of out of pocket expenses) in connection with the



Audit as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**AS SPECIAL BUSINESS:**

**Item No.4: Ratification of the remuneration of Cost Auditors for the financial year ending March 31, 2022 and March 31, 2023.**

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(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for:

- a. Payment of remuneration of Rs. 1,00,000/- (Rupees One lakh only) (plus applicable goods and services tax and reimbursement of out of pocket expenses), to M/s. B.R. Chandak & Co., Cost Accountants (Firm Registration No. 100380), who was appointed by the Board of Directors as the Cost Auditor in the casual vacancy caused by the resignation given by M/s. M.R. Pandit & Company, (Firm Registration No. 00268), Cost Accountant for conducting the audit of cost records of the Company, for the financial year ended March 31, 2022.
- b. Payment of remuneration of Rs. 1,00,000/- (Rupees One lakh only) (plus applicable goods and services tax and reimbursement of out of pocket expenses), to M/s. B.R. Chandak & Co., Cost Accountants (Firm Registration No. 100380), for conducting the audit of cost records of the Company, for the financial year ended March 31, 2023.”

**RESOLVED FURTHER THAT** any Director or Key Managerial Personnel of the Company be and is here by severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter afore said and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution.”

**Item No. 5: Re-appointment of Shri. Narendrakumar Gupta (DIN: 00062268) as a Chariman, Managing Director & Chief Executive Officer of the Company and revision in terms of his remuneration:**

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 Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the approval of the members of the Company be and is hereby accorded for the re-appointment of Shri. Narendrakumar Gupta (DIN: 00062268) as a Chairman, Managing Director & Chief Executive Officer of the Company liable to retire by rotation for a period of five (5) years from April 1, 2022 to March 31, 2027 on the terms and conditions of re-appointment including the payment of remuneration, perquisites &



other benefits and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with authority to the Board of Directors (on the recommendations of the Nomination and Remuneration Committee) to alter, enhance or widen the scope of remuneration (including the Fixed pay, Variable Pay/ Commission and other benefits) including periodical increase in his remuneration as may be permissible within the overall remuneration limits as mentioned in the explanatory statement in accordance with Section 197, read with Schedule V of the Act and rules made thereunder and other applicable laws, regulations, as amended from time to time.

**RESOLVED FURTHER THAT** The Board of Directors (including its Committee thereof) and/or Shri. Pritesh Gangwal, Company Secretary of the Company, be and are hereby authorised to do all such acts deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution.”

**Item No. 6: Re-appointment of Shri. Nitin Gupta (DIN: 00062041) as Whole-time Director of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the approval of the members of the Company be and is hereby accorded for the re-appointment of Shri. Nitin Gupta (DIN: 00062041) as a Whole-time Director of the Company liable to retire by rotation for a period of five (5) years from April 1, 2022 to March 31, 2027 on the terms and conditions of re-appointment including the payment of remuneration, perquisites & other benefits and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with authority to the Board of Directors (on the recommendations of the Nomination and Remuneration Committee) to alter, enhance or widen the scope of remuneration (including the Fixed pay, Variable Pay/ Commission and other benefits) including periodical increase in his remuneration as may be permissible within the overall remuneration limits as mentioned in the explanatory statement in accordance with Section 197, read with Schedule V of the Act and rules made thereunder and other applicable laws, regulations, as amended from time to time.

**RESOLVED FURTHER THAT** The Board of Directors (including its Committee thereof) and/or Shri. Pritesh Gangwal, Company Secretary of the Company, be and are hereby authorised to do all such acts deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution.”

**Item No. 7: Approval for Related Party Transactions**

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:



**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date if any, approval of the members be and is hereby accorded to the Board of Directors of the Company (the “Board” which expression shall also include a committee thereof) to enter into contract(s)/arrangement(s)/transaction(s) (including any modifications, alterations or amendments thereto) with the **Akar Auto Industries Limited** and **Akar Industries Private Limited**, on such terms and conditions as the Board of Directors may deem fit, provided that the terms of the said contract(s)/arrangement(s)/transaction(s) so carried out with the Related Party shall be on in the ordinary course of business at arm’s length price.”

<b>Sr. No.</b>	<b>Name of related party</b>	<b>Nature of transaction</b>	<b>Period of Contract/ Agreement</b>	<b>Amount (Rs. in Cr)</b>
1	Akar Auto Industries Limited	Sale of Steel products	1st April 2022 to 31st March 2023	150.00
2	Akar Auto Industries Limited	Purchase of Raw Material	1st April 2022 to 31st March 2023	25.00
3	Akar Industries Private Limited	Purchase of Raw Material	1st April 2022 to 31st March 2023	15.00

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions not exceeding the limits as mentioned above and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or officer(s) of the Company and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution”.

**By order of the Board of Directors**

**PRITESH GANGWAL**  
**Company Secretary**

Place: Aurangabad  
Date: 07.09.2022



## NOTES FOR MEMBERS' ATTENTION:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF. SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten per cent 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 a proxy for any other person or shareholder.

The instrument appointing the proxy should, however, should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Notice.

- 2 An explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Businesses to be transacted at the Annual General Meeting is attached hereto.
- 3 To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the company.
- 4 Electronic copy of the Annual Report As part of the Green Initiative of the Ministry of Corporate Affairs, the members who wish to receive notice/documents through e-mail may kindly intimate their e-mail addresses to the Company's Compliance Officer at [corporate@rlsteels.com](mailto:corporate@rlsteels.com)
- 5 There was no outstanding dividend payable for a period exceeding seven years from the date of declaration and therefore the provisions of Section 124 of the Companies Act, 2013, that requires the unpaid or unclaimed dividend for a period of exceeding seven years to the Investor Education and Protection Fund (the IEPF) do not apply to the Company for the year. All members are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of 7 years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.
- 6 Members are requested to send all their documents and communication pertaining to shares to the Share Department of the Company at Corporate Office, Gut No.78 to 81, Pangra Shivar, Paithan Road, Aurangabad 431107, Maharashtra for equity shares.
- 7 Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Department for their doing needful.
- 8 Members are requested to notify change in address, if any, immediately to the Share Department quoting their folio numbers.
- 9 The Directors have furnished the requisite declarations for their appointment/re-appointment.



- 10 To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible.
- 11 Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report 2021-22 will also be available on the Company's website [www.rlsteels.com](http://www.rlsteels.com) for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor email id: [corporate@rlsteels.com](mailto:corporate@rlsteels.com)

**By order of the Board of Directors**

**PRITESH GANGWAL**  
**Company Secretary**

Place: Aurangabad.  
Date: 07.09.2022



## **ANNEXURE TO THE NOTICE:**

### **Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013, setting out all material facts relating to the Special Business:**

#### **Item No.4:**

In Pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to conduct audit of Cost Records of the Company.

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder the Board of Directors of the Company, on the recommendation of the Audit Committee, had appointed M/s. M.R. Pandit & Company (Firm Registration No. 00268), Cost Accountants as the Cost Auditor, to conduct the audit of cost records of the Company for the financial year ending 31st March, 2022 on a remuneration of Rs. Rs. 100,000/- (Rupees One Lakh only) (plus applicable goods and services tax and reimbursement of out of pocket expenses) incurred by them in connection with the afore said audit, which was subsequently ratified by the shareholders in the 35th Annual General Meeting of the Company held on September 30, 2021. Due to resignation tendered the Board of Directors on the recommendation of the Audit Committee, on September 09, 2022 appointed M/s. B.R. Chandak & Co., Cost Accountants (Firm Registration No. 100380) to fill the casual vacancy on the same remuneration and terms and conditions. The resolution, as a modification of the resolution of the shareholders passed at the 35th AGM, seeks the approval of the members for payment of remuneration of Rs. 1,00,000/- (Rupees One Lakh Only) (plus applicable goods and services tax and reimbursement of out of pocket expenses) to M/s. B.R. Chandak & Co., Cost Accountants (Firm Registration No. 100380), towards conduct of audit of cost records of the Company for the financial year ended March 31, 2022.

Further the Board of Directors on the recommendation of the Audit Committee, on September 09, 2022 also appointed M/s. B.R. Chandak & Co., Cost Accountants (Firm Registration No. 100380), Cost Accountant to conduct the audit of the cost records of the Company for the financial year ended March 31, 2023 on the remuneration of Rs. 1,00,000/- (Rupees One Lakh Only) (plus applicable goods and services tax and reimbursement of out of pocket expenses). The resolution seeks the approval of the shareholders for payment of said remuneration in terms of Section 148 and other applicable provisions of the Companies Act 2013, and the rules made thereunder.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the Notice.

The Board recommends the passing of an Ordinary Resolution as set out at Item No. 4 of the accompanying Notice.



## Item No. 5:

Shri Narendrakumar Gupta is one of the promoter of the Company and has been associated with the Company for more than decade. With keen business acumen and strategic planning skills, he has contributed immensely in shaping the long term vision and mission of the R.L. Group with major emphasis on business development in focus areas, undertaking of new projects, achieving operational efficiencies and building upon commercial successes, since he took over the role of Managing Director and CEO in 2018. Under his guidance, R.L. Group has become one of the leading global manufacturers of alloy steel products with customer base in various countries. His leadership is well reflected in the multi-fold growth of the R.L. Group over the last few years without over leveraging the company, instilling confidence and delivering immense returns to all stakeholders.

Shri Narendrakumar Gupta was appointed as a Managing Director & CEO of the Company by the members of the Company for a period of five (5) year from April 1, 2018 to March 31, 2023 at their meeting dated September 03, 2018. The Board of Director of the Company at its meeting held on July 22, 2022 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on July 22, 2022 and, subject to the approval of members of the Company, has re-appointed Shri Narendrakumar Gupta as Chairman, Managing Director and CEO of the Company for a period of five (5) years from April 1, 2022 to March 31, 2027 on the terms and conditions including remuneration in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder.

The information in respect of terms of remuneration & perquisites is given below:

### **Broad Particulars of Salary, Perquisites and allowances of Shri Narendrakumar Gupta are as under:**

1. Period	From April 01, 2022 to March 31, 2027
2. Remuneration Salary Perquisites	Rs. 7,50,000 to Rs. 10,00,000 per month for this purpose perquisites are classified into three categories A,B and C
<b>Category A</b>	
<b>a</b>	Medical Reimbursement
<b>b</b>	Traveling, Boarding and Lodging expenses
<b>c</b>	Bonus: As per policies and rules of the C
<b>Category B</b>	
<b>a</b>	Company's contribution towards Provident Fund, Superannuation Fund.
<b>b</b>	Gratuity payable shall not exceed half Month's salary for each completed year of service or part thereof.
<b>c</b>	Leave Entitlement: As per Company's Policy
<b>Category C</b>	
<b>a</b>	The Company shall provide a car with chauffer and telephone at the residence. Provisions of the car for use in Company's business and telephone at residence will not be considered as perquisites. Personal long distance





	calls and use of car for Private purpose shall be billed by the Company
Other allowances, benefits and perquisites admissible as per Rules of the Company, from time to time framed by Nomination and Remuneration Committee.	

Shri Narendrakumar Gupta satisfies all the conditions set out in Para – 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 re-appointment. He is not disqualified from being re-appointed as Directors in terms of Section 164 of the Act.

Except Shri Narendrakumar Gupta, being an appointee and Shri Nitin Gupta, Whole-time Director, being his relative, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

The above may be treated as a written memorandum setting out terms of re-appointment of Shri Narendrakumar Gupta under Section 190 of the Act.

The resolution seeks approval of members as an Ordinary Resolution for the re-appointment of Shri Narendrakumar Gupta as the Chairman, Managing Director & CEO of the Company with effect from April 1, 2022 pursuant to the provisions of Section 117, 196 and 197 and 203 read with Schedule V other applicable provision of the Companies Act, 2013 and the rules made there under.

The Board recommends the Ordinary resolution at item no. 5 of this Notice for approval by the members.

**Item No. 6:**

Shri. Nitin Gupta has been associated with the Company for more than 2 decades. He possesses rich and wide experience in various areas of operations of the Company especially in execution of the Projects and Marketing. Under his leadership, the Company continues to execute various new Projects in a timely manner alongwith the increase of sales and marketing of our products to various countries. He is also a person of integrity and his association as a Wholetime Director will be beneficial to the Company.

Shri Nitin Gupta was appointed as a Whole-time of the Company by the members of the Company for a period of five (5) year from April 1, 2018 to March 31, 2023 at their meeting dated September 03, 2018. The Board of Director of the Company at its meeting held on July 22, 2022 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on July 22, 2022 and, subject to the approval of members of the Company, has re-appointed Shri Nitin Gupta as whole-time director of the Company for a period of five (5) years from April 1, 2022 to March 31, 2027 on the terms and conditions including remuneration in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder.



The information in respect of terms of remuneration & perquisites is given below:

**Broad Particulars of Salary, Perquisites and allowances of Shri Nitin Gupta are as under:**

1. Period	From April 01, 2022 to March 31, 2027
2. Remuneration Salary Perquisites	Rs. 6,00,000 to Rs. 9,00,000 per month for this purpose perquisites are classified into three categories A,B and C
<b>Category A</b>	
<b>a</b>	Medical Reimbursement
<b>b</b>	Traveling, Boarding and Lodging expenses
<b>c</b>	Bonus: As per policies and rules of the C
<b>Category B</b>	
<b>a</b>	Company's contribution towards Provident Fund, Superannuation Fund.
<b>b</b>	Gratuity payable shall not exceed half Month's salary for each completed year of service or part thereof.
<b>c</b>	Leave Entitlement: As per Company's Policy
<b>Category C</b>	
<b>a</b>	The Company shall provide a car with chauffer and telephone at the residence. Provisions of the car for use in Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for Private purpose shall be billed by the Company
Other allowances, benefits and perquisites admissible as per Rules of the Company, from time to time framed by Nomination and Remuneration Committee.	

Shri Nitin Gupta satisfies all the conditions set out in Para – 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 re-appointment. He is not disqualified from being re-appointed as Directors in terms of Section 164 of the Act.

Shri Nitin Gupta is son of Shri Narendrakumar Gupta, Chairman, Managing Director and CEO of the Company. Hence, he is covered under the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder.

Except Shri Nitin Gupta, being an appointee and Shri Narendrakumar Gupta, Chairman, Managing Director & CEO, being his relative, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6.

The above may be treated as a written memorandum setting out terms of re-appointment of Shri Nitin Gupta under Section 190 of the Act.



The resolution seeks approval of members as an Ordinary Resolution for the re-appointment of Shri Nitin Gupta as the Whole-time Director of the Company with effect from April 1, 2022 pursuant to the provisions of Section 117, 196 and 197 and 203 read with Schedule V other applicable provision of the Companies Act, 2013 and the rules made there under.

The Board recommends the Ordinary resolution at item no. 6 of this Notice for approval by the members.

**Item No. 7:**

Pursuant to rule 15(3) of Companies Meetings of Board and its Powers) Rules, 2014, if the value of any contract or arrangement with respect to clauses (a) to (e) of Sub-Section (1) of Section 188, exceed the limits specified therein, prior approval of the company by an ordinary resolution is required.

Accordingly, considering the present business scenario of the Company, the Audit Committee and the Board of Directors in their respective meeting held on September 07, 2022 recommended to seek approval of the shareholders by way of Ordinary Resolution under Section 188 of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 to enable the Company to enter into the subject related party transactions.

The proposal mentioned above is in the interest of the Company and the Board commends the resolution set out in the Item no. 7 of the accompanying notice as Ordinary Resolution.

Executive Directors and their respective relatives are concerned or interested, in the Resolutions relating to all afore said transactions. None of the other Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in the Resolutions set out at Item Nos. 5 of the Notice.

**By order of the Board of Directors**

**PRITESH GANGWAL**  
**Company Secretary**

Place: Aurangabad  
Date: 07.09.2022