

ISMT/SEC/20-21

September 08, 2020

Listing Department  
**National Stock Exchange Of India Limited**  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai-400051

Listing Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai-400001

Symbol: ISMTLTD

Scrip Code: 532479

Dear Sirs,

**Sub.: Notice of the 22<sup>nd</sup> Annual General Meeting of the Company**

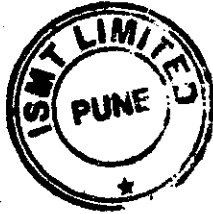
Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Notice of the 22<sup>nd</sup> Annual General Meeting of the Company scheduled to be held on Wednesday, September 30, 2020 at 11.30 a.m. through Video Conferencing/ Other audio visual means.

You are requested to kindly take the same on your record.

Thanking you.

Yours Faithfully,  
For ISMT Limited

  
Chetan Nathani  
Company Secretary



Encl: As above

Reg. Off.: Panama House, (Earlier known as Lunkad Towers), Viman Nagar, Pune – 411014  
Ph.: 020-41434100, Fax: 020-26630779,  
E-mail: secretarial@ismt.co.in; Web: [www.ismt.com](http://www.ismt.com),  
CIN: L27109PN1999PLC016417

**NOTICE**

NOTICE is hereby given that the 22<sup>nd</sup> Annual General Meeting ('AGM') of the Members of ISMT Limited ('Company') will be held on Wednesday, September 30, 2020 at 11.30 A.M. IST through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt:
  - (a) The Audited Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Balance Sheet as at March 31, 2020 & the Statement of Profit & Loss for the year ended on that date & the Reports of the Board of Directors & the Auditors thereon; &
  - (b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Consolidated Balance Sheet as at March 31, 2020 & the Consolidated Statement of Profit & Loss for the year ended on that date & the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. B. R. Taneja (DIN: 00328615) who retires by rotation & being eligible, offers himself for re-appointment.

**Special Business:**

3. To consider & if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 148 & other applicable provisions of the Companies Act, 2013, the remuneration of:

- (i) Rs. 2,50,000/- (Rupees Two Lakh & Fifty Thousand Only) plus out of pocket expenses, payable to M/s. Dhananjay V. Joshi & Associates, Cost Accountants (Firm Reg. No. 000030), as Cost Auditors for “Steel Products” at Jejuri Plant; &
- (ii) Rs. 2,50,000/- (Rupees Two Lakh & Fifty Thousand Only) plus out of pocket expenses, payable to M/s. Parkhi Limaye & Co., Cost Accountants (Firm Reg. No. 000191), as Cost Auditors for “Steel Tubes & Pipes” products at Ahmednagar & Baramati Plants.

as recommended by the Audit Committee & approved by the Board of Directors of the Company ('Board') in connection with the Cost Audit of the Company for the financial year ended March 31, 2020, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board be & is hereby authorised to do all such acts, deeds, matters & things as may be necessary to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to Section 196 & other applicable provisions of the Companies Act, 2013 ('Act') & Rules made there under read with Schedule V of the Act (including any statutory modification or re-enactment thereof, for the time being in force) & pursuant to the Articles of Association of the Company & such other approvals & sanctions as may be required, consent of the Company be & is hereby accorded to the re-appointment of Mr. B. R. Taneja (DIN: 00328615) as Managing Director of the Company for a period of 2 (two) years with effect from December 1, 2020 upto November 30, 2022 as set out in the explanatory statement annexed to this Notice.

**RESOLVED FURTHER THAT** Mr. B. R. Taneja, Managing Director be & is hereby designated as Whole-time Key Managerial Personnel of the Company in terms of Section 203 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors ('Board'), which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution be & is hereby authorized to alter and vary the terms & conditions of the appointment including remuneration.

**RESOLVED FURTHER THAT** when re-elected as Director on account of retirement by rotation, such re-election of Mr. B. R. Taneja as Director shall not be deemed to constitute a break in his appointment as Managing Director & that upon such re-election he shall continue to hold office of Managing Director as hitherto.

**RESOLVED FURTHER THAT** the Board be & is hereby authorized to take all steps as may be necessary to give effect to this Resolution.”

5. To consider & if thought fit, to pass, with or without modification, following resolution as **Special Resolution:**

**“RESOLVED THAT** pursuant to Section 196 & other applicable provisions of the Companies Act, 2013 (‘Act’) & Rules made there under (including any statutory modification or re-enactment thereof, for the time being in force) & pursuant to the Articles of Association of the Company & such other approvals & sanctions as may be required, consent of the Company be & is hereby accorded to the re-appointment of Mr. Rajiv Goel (DIN: 00328723), Chief Financial Officer of the Company as Whole-time Director for the period from October 01, 2020 upto September 30, 2021 on such terms & conditions as set out in the explanatory statement annexed to this Notice.

**RESOLVED FURTHER THAT** Mr. Rajiv Goel, Chief Financial Officer be & is hereby designated as Whole-time Key Managerial Personnel of the Company in terms of Section 203 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors (‘Board’), which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution be & is hereby authorized to alter and vary the terms & conditions of the appointment including remuneration.

**RESOLVED FURTHER THAT** when re-elected as Director on account of retirement by rotation, such re-election of Mr. Rajiv Goel as Director shall not be deemed to constitute a break in his appointment as the Whole-time Director & that upon such re-election he shall continue to hold office of Whole-time Director as hitherto.

**RESOLVED FURTHER THAT** the Board be & is hereby authorized to take all steps as may be necessary to give effect to this Resolution.”

By Orders of the Board  
For **ISMT Limited**

Chetan Nathani  
**Company Secretary**  
Pune, September 7, 2020

**NOTES:**

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs vide Circular dt. May 5, 2020 & SEBI vide Circular dt. May 12, 2020 (‘Circulars’) permitted to hold AGM through VC/ OAVM without the physical presence of members at a common venue. Accordingly, the AGM is being held through VC/ OAVM & that the Company has appointed Central Depositories Services (India) Ltd. (‘CDSL’) to provide the VC/ OAVM facility for the same. Accordingly, the Registered Office of the Company shall be the deemed venue of the AGM.

2. A member entitled to attend & vote at a General Meeting is usually entitled to appoint a proxy to attend & vote on his behalf. Since, the AGM is being held through VC/ OAVM, the requirement of physical attendance of the members has been dispensed with and that the facility for appointing proxies will not be available.

3. An Explanatory Statement under Section 102(1) of the Companies Act, 2013 (‘Act’) relating to the Special Business & details as required under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) in respect of the Directors seeking appointment/ re-appointment is annexed hereto.

4. The Special Business as appearing at item nos. 3 to 5 of the AGM Notice are considered unavoidable by the Board & hence, forming part of the same.

5. Corporate members intending to appoint authorized representatives to attend the AGM or vote therein are requested to send a duly certified copy of Board Resolution in this regard.

6. In case of joint holders, the member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

7. As required under the Act, the Register of Directors & Key Managerial Personnel & Register of Contracts/ Arrangements in which Directors are interested & all documents referred to in the accompanying AGM Notice will be available for inspection in electronic mode.

8. In line with the Circulars, AGM Notice along with the Annual Report of the Company for FY2019-‘20 is sent only through electronic mode to the members whose e-mail IDs are registered with the Company/ Depositories.

9. AGM Notice & Annual Report is available on Company’s website at [www.ismt.com](http://www.ismt.com) & on websites of Stock Exchanges i.e. BSE Ltd. & National Stock Exchange of India Ltd. at [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), respectively. AGM Notice is also disseminated on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

10. Members holding shares in single name are advised to avail the facility of nomination pursuant to Section 72 of the Act. Members holding shares physically may send their nomination in Form SH-13 to KFin Technologies Pvt. Ltd. (‘Karvy’) while Members holding shares electronically may contact their Depository in this regard.

11. In compliance with Section 108 of the Act, Regulation 44 of the Listing Regulations & the Circulars, the Company is providing its members the facility to exercise their right to vote at the AGM by electronic means (by using the system/ platform provided by CDSL) either by remote e-voting prior to the AGM or remote e-voting during the AGM. Also the instructions for attending the AGM through VC/ OAVM are explained herein below.

12. The members can opt for only one mode of e-voting i.e. either prior to the AGM or during the AGM. The members present at the AGM who have not cast vote by e-voting prior to the AGM shall be able to exercise their right to cast vote by e-voting during the AGM. The members who have cast vote by e-voting prior to the AGM are eligible to attend the AGM but shall not be entitled to cast vote during the AGM.

13. The Board of Directors of the Company have appointed Mr. Milind Kasodekar, (C.P No. 1681), Partner, M/s KMDS Associates, Company Secretaries as the Scrutinizer.

**14. E-VOTING FACILITY:**

The Company has availed the services of CDSL for facilitating voting through electronic means. The process for participating in the AGM & voting through electronic means is as follows:

a) Members can login to [www.evotingindia.com](http://www.evotingindia.com) to join the AGM through VC/ OAVM mode 15 minutes before & after the scheduled time of commencement of the AGM. The facility of participation at the AGM through VC/OAVM is available to 1,000 members of the Company on first come first serve basis.

**b) Instructions for Remote E-Voting:**

- i. Voting period begins on Sunday, September 27, 2020 at 9.00 A.M. (IST) & ends on Tuesday, September 29, 2020 at 5.00 P.M. (IST). Thereafter, e-voting module shall be disabled for voting by CDSL. Members of the Company as on cut-off date/ record date of September 23, 2020 may cast their vote.
- ii. Members who have already voted prior to the AGM date, would not be entitled to vote at the AGM.
- iii. Members to login to website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders" module.
- v. Enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID;
  - b. For NSDL: 8 Character DP ID followed by 8 digits Client ID;
  - c. Members holding shares physically should enter Folio Number.

Alternatively, if Member is registered on CDSL's EASI/EASIEST e-services, they can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using login credentials. Once logged in, click on e-Voting option & proceed to cast vote electronically.

- vi. Enter Image Verification as displayed & Click on Login.
- vii. If Member holding shares in demat form & had logged in to [www.evotingindia.com](http://www.evotingindia.com) & voted on an earlier e-voting of any company, then existing password is to be used by such Member.

viii. If Members are a first time user:

<b>For Members holding shares in Demat/ Physical Form</b>	
<b>PAN</b>	Enter 10 digit alpha-numeric PAN issued by the Income Tax Department  Members who have not updated PAN with Company/ Depositories are requested to use Sequence Number as mentioned in e-mail sent by Company or contact the Company/ Karvy.
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	To login, enter Dividend Bank Details or DOB (in dd/mm/yyyy format) as recorded in your demat account or in the Company records.  If both the details are not recorded with the depository or the Company, enter Members DP ID/ Folio Number in Dividend Bank details field.

- ix. After entering these details, click on "SUBMIT" tab.
- x. Members holding shares physically will directly reach the Company selection screen. However, Members holding shares in demat form will reach 'Password Creation' menu to enter login/ password in new password field. This password is also to be used by the demat holders for voting for resolutions of other companies on which they are eligible to vote, provided that such companies opts for e-voting through CDSL platform. It is recommended not to share password with any other person & take utmost care to keep it confidential.
- xi. For also holding shares in physical form, details can be used only for e-voting on resolutions contained in this Notice.
- xii. Click on the EVSN for 'ISMT Limited'.
- xiii. On voting page, Members will see "RESOLUTION DESCRIPTION" & against the same, option "YES/ NO". Select the option YES/ NO as desired. Option YES implies assent to the Resolution & option NO implies dissent to the Resolution.
- xiv. Click on "RESOLUTIONS FILE LINK" to view the entire Resolution details.
- xv. After selecting resolution to vote, click "SUBMIT". A confirmation box will be displayed. To confirm vote, click "OK", to change vote, click "CANCEL".
- xvi. Once vote is "CONFIRM", Members will not be allowed to modify the vote.
- xvii. If a demat holder has forgotten the login/ password, Enter User ID & image verification code & click on Forgot Password & enter details as prompted by the system.

xviii. Members can also cast their vote using CDSL's mobile app "m-Voting" available on Play Store/ Google Play. Please follow instructions as prompted by the mobile app.

**c) Process for Members whose e-mail IDs are not registered with the Company/ Depositories:**

- i. For Physical shareholders- please provide necessary details like Folio No., Name, scanned copy of share certificate (front & back), PAN (self attested scanned copy of PAN), AADHAR (self attested scanned copy of Aadhar) by e-mail to [secretarial@ismt.co.in](mailto:secretarial@ismt.co.in).
- ii. For Demat shareholders- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN), AADHAR (self attested scanned copy of Aadhar) by e-mail to [secretarial@ismt.co.in](mailto:secretarial@ismt.co.in).

**d) Instruction for shareholders attending AGM thru VC:**

- i. Members will be provided with a facility to attend the AGM through VC/ OAVM through CDSL e-Voting system. by accessing at <https://www.evotingindia.com> under shareholders/ Members login by using e-voting credentials. The link for VC/ OAVM will be available in shareholder/ members login where EVSN of the Company will be displayed.
- ii. Members are encouraged to join the AGM through Laptops/ IPads for better experience.
- iii. Further, Members will be required to allow Camera & use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Members connecting from Mobile, Tablets or Laptop via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- v. Members who would like to express their views/ ask queries during the AGM may register themselves as a speaker by sending their request in advance at least 7 days prior to the AGM date by mentioning their name, demat number/ folio number, mobile number at [secretarial@ismt.co.in](mailto:secretarial@ismt.co.in). Members who do not wish to speak during the AGM but have queries may send their queries at least 7 days prior to the AGM date by mentioning their name, demat number/ folio number, mobile number at [secretarial@ismt.co.in](mailto:secretarial@ismt.co.in) which will be replied to by the Company suitably.
- vi. Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM.

**e) Instructions for Members e-voting during AGM:**

- i. Procedure for e-Voting during the AGM is same as mentioned above.
- ii. Only those Members, who are present in the AGM through VC/ OAVM facility & have not casted their vote through remote e-voting & are otherwise not barred from doing so, shall be eligible to vote through CDSL e-voting system during the AGM.
- iii. If votes cast by Member thru e-voting during AGM & if said Member have not participated in the AGM through VC/ OAVM, then such votes cast shall be considered invalid as the facility of e-voting during the AGM is available only to the Members attending the AGM.
- iv. Members voted through Remote e-Voting will be eligible to attend AGM but will not be eligible to vote at AGM.

**f) Note for Non-Individual Members & Custodians :**

- i. Non-Individual Members (other than HUF, NRI etc.) & Custodians required to login to [www.evotingindia.com](http://www.evotingindia.com) & register in "Corporates" module.
- ii. A scanned copy of the Registration Form bearing the stamp & sign of the entity be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- iii. After receiving login details, a Compliance User be created using admin login & password. Compliance User would be able to link the account(s) for which they wish to vote on.
- iv. List of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) & on approval of the accounts they would be able to cast their vote.
- v. A scanned copy of Board Resolution & Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for Scrutinizer's verification.
- vi. Alternatively, Non Individual Members can send relevant Board Resolution/ Authority letter etc. together with attested specimen signature of duly authorized signatory authorized to vote, to the Company at [secretarial@ismt.co.in](mailto:secretarial@ismt.co.in) if they have voted from individual tab & not uploaded the same in the CDSL e-voting system for Scrutinizer's verification.

For any queries, Members may refer Frequently Asked Questions (FAQs) & e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738), Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

Grievances relating to e-voting may be addressed to Mr. Rakesh Dalvi, Manager, CDSL, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- g) Institutional Members (i.e. other than HUF, NRI, etc.) to send scanned copy (PDF/ JPG Format) of relevant Board Resolution/ Authority Letter, along with attested specimen signature of duly authorized signatories authorized to vote to Scrutinizer by e-mail at milind.kasodekar@kmdscs.com. They may also upload the same in e-voting module in their login. Scanned image of above documents should be in the naming format “Corporate Name\_EVEN NO.”
- h) Voting rights shall be as per the number of shares held by the Members as on September 23, 2020 (‘Cut-off date’). Members are eligible to cast vote electronically only if they are holding shares as on that date. A person who is not a Member as on cut-off date should treat this Notice for information purpose only.
- i) The voting rights of members shall be in proportion to their share in the paid up equity share capital of the Company as on Cut-off date.
- j) A person, whose name is recorded in the Register of Members or in register of beneficial owners maintained by depositories as on Cut-off date shall alone be entitled to avail the facility of remote e-voting as well as e-voting during the AGM.
- k) The procedure for remote e-voting during the AGM is same as per the instructions mentioned above since the AGM is being held through VC/ OAVM.
15. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for members present in the AGM through VC/ OAVM facility but have not cast their vote by remote e-voting facility & are otherwise not barred from doing so. The e-voting module during the AGM shall be disabled by CDSL 15 minutes after conclusion of the AGM.
16. The Scrutinizer shall, after conclusion of e-voting (votes cast during the AGM & votes cast through remote e-voting) make, not later than 48 hours after conclusion of AGM, a report of total votes cast in favor or against the resolution, invalid votes, if any, & whether the Resolution has/ have been carried or not, to the Chairman or a person authorized by him in writing.
17. Results declared along with Scrutinizer's Report shall be placed on website www.ismt.com & on website of CDSL. The results shall also be forwarded to BSE Ltd & National Stock Exchange of India Ltd.
18. Pursuant to Rule 3 of IEPF (Awareness & Protection of Investors) Rules, 2001, the Company has transferred Rs. 47.18 Lakhs pertaining to the unclaimed Dividend for the financial year 2011-12 to the IEPF Account established by the Central Government.
19. Members are further requested to:
- Intimate changes, if any, in address/ bank mandate & e-mail ID to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for shares held in physical form & to the Depository Participants for shares held in Demat form.
  - Quote folio number/ DP ID/ Client ID in all correspondence with the Company or Karvy.
  - Intimate about consolidation of folios to Karvy, if your shareholding is under multiple folios.
  - As per the Listing Regulation, effective April 1, 2019, requests for effecting transfer of shares in physical form shall not be processed unless the same is held in Demat form with the Depository. Hence, Members are requested to convert their physical share certificates into Demat form.
  - Surrender to Karvy, old share certificates of erstwhile Indian Seamless Steels & Alloys Ltd (ISSAL) for exchange with new share certificates of ISMT Ltd.
  - Note that the Company has designated an exclusive e-mail ID viz. [secretarial@ismt.co.in](mailto:secretarial@ismt.co.in) to enable Members to register their queries/ complaints.
20. At 19<sup>th</sup> AGM of the Company held on September 28, 2017, Members approved the appointment of M/s. Damania & Varaiya, Chartered Accountants (Registration No. 102079W) (subsequently name changed to M/s. D N V & Co.) as Statutory Auditors to hold office from conclusion of 19<sup>th</sup> AGM till conclusion of 24<sup>th</sup> AGM, subject to ratification by the Members at every AGM subject to any statutory modifications in the relevant provisions of the Act.
- Vide notification dt. May 07, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of Members for appointment of Statutory Auditors at every AGM. Accordingly, no resolution is being proposed for ratification of the appointment of the Statutory Auditors of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT****Item No. 3:**

Based on the recommendations of the Audit Committee, the Board on August 8, 2019, approved the appointment and remuneration of M/s. Dhananjay V. Joshi & Associates, Cost Accountants, as Cost Auditors for “Steel Products” at Jejuri Plant & M/s. Parkhi Limaye & Co., Cost Accountants, as Cost Auditors for “Steel Tubes & Pipes” products at Ahmednagar & Baramati Plants in connection with the Cost Audit for FY2019-'20.

In accordance with Section 148 of the Companies Act, 2013 & Rules made there under, remuneration payable to the Cost Auditors has to be ratified by the Members.

Accordingly, consent of the Members is sought for ratification of the remuneration payable to the aforesaid Cost Auditors of the Company.

Board recommends the resolution at item no. 3 for approval of the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnels of the Company/ their relatives are concerned or interested in this Resolution.

**Item No. 4:**

Existing term of Mr. B. R. Taneja as Managing Director will expire on November 30, 2020. Mr. B. R. Taneja is Promoter & founder Director of ISMT Group. He is a well-known technocrat in field of seamless tube manufacturing with more than 5 decades of experience.

He has been associated with the Company since inception. His knowledge & expertise has been invaluable to the Company.

His presence on the Board has enabled the Company in maintaining continuity in strategic leadership & governance. Considering his significant contribution to the Company's growth since inception, the Board at its meeting held on September 7, 2020, upon recommendation of the Nomination & Remuneration Committee, has approved his re-appointment on terms & conditions as mentioned below:

1. **Tenure:** Mr. B.R. Taneja will hold office for 2 years from December 1, 2020 upto November 30, 2022.
2. **Remuneration:** In terms of Schedule V to the Companies Act, 2013 ('Act') read with Section 196, 197 & other applicable provisions of the Act & Rules there under & subject to approval of the Members & such other approvals as may be required, the remuneration of Managing Director shall be as under:

**A) Salary:**

The Salary shall be Rs. 15,00,000/- per month w.e.f. December 01, 2020 with a liberty to the Board to provide increments upto 10% of the annual remuneration.

**B) Perquisites & Other Benefits:**

The Managing Director shall also be entitled to:

- (i) Earned Leave as per rules of the Company.
- (ii) Company Car for official use.
- (iii) Rent free furnished accommodation.
- (iv) Telephone at residence for official use.
- (v) Encashment of leave at the end of tenure as per rules of the Company.

The Company had in the past obtained Central Government approval for payment of Managerial Remuneration from time to time. Subsequently, the Ministry of Corporate Affairs has done away with the requirement of obtaining Central Government approval and the Managerial Remuneration is determined as per the approvals obtained from the shareholders.

The Company suffered on account of economic slowdown, Chinese imports etc. as elaborated in the additional information forming part of this Notice and its debt presently under restructuring could not get concluded due to countrywide COVID-19 lock down in March, 2020. Pending restructuring, the Company will seek approval of the Lenders.

During tenure of Mr. B. R. Taneja as Managing Director, EBIDTA of the Company has improved from Rs.46.17 Crore in FY2014-15 to Rs. 89.03 Crore in FY2019-20.

Additional information in terms of Sub-clause (iv) of proviso to Sub-paragraph (B) Section II of Part II of Schedule V of the Act, has been provided separately.

Mr. B. R. Taneja has attained the age of seventy years. The Board considers that his association as a Managing Director would be of immense benefit to the Company & it is desirable to avail his services as such. Accordingly, the Board recommends the Special Resolution set out in Item No. 4 of the Notice for the approval of the Members of the Company.

None of the Directors, except Mr. B.R. Taneja or Key Managerial Personnels of the Company/ their relatives are concerned or interested in this Resolution.

**Item No. 5:**

The Board of Directors at its meeting held on September 7, 2020 & upon recommendations of the Nomination & Remuneration Committee, approved the re-appointment of Mr. Rajiv Goel, Chief Financial Officer of the Company as its Whole-time Director ('WTD') for the period from October 01, 2020 upto September 30, 2021 on following terms:

**Tenure:** Mr. Rajiv Goel will hold office as WTD from October 01, 2020 upto September 30, 2021.

**Remuneration:** Remuneration of Mr. Rajiv Goel as CFO shall be as under:

**I. Salary:** Rs. 6,50,000/- per month with a liberty to the Board to provide increments upto 10% of the annual remuneration.

**II. Perquisites:** In addition to the above, Mr. Rajiv Goel shall be entitled to perquisites subject to a limit of 100% of his Annual Salary with an option to receive the same in any lawful combination.

**III. Other Benefits:**

Mr. Rajiv Goel shall also be entitled to:

- a) Earned Leave as per rules of the Company
- b) Company car for official use
- c) Telephone at residence for official use

**IV. Mr. Rajiv Goel shall also be entitled to:**

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to extent these singly or put together are not taxable under Income Tax Act, 1961.
- b) Gratuity at the rate of 30 days salary for each completed year of service within the Group.
- c) Encashment of leave at the end of the tenure as per the rules of the Company.

Further, the composition of the overall remuneration as approved by the shareholders can be varied as mutually agreed between the Board and Mr. Rajiv Goel.

The Company had in the past obtained Central Government approval for payment of Managerial Remuneration from time to time. Subsequently, the Ministry of Corporate Affairs has done away with the requirement of obtaining Central Government approval and the Managerial Remuneration is determined as per the approvals obtained from the shareholders.

The Company suffered on account of economic slowdown, Chinese imports etc. as elaborated in additional information forming part of this Notice and its debt presently under restructuring could not get concluded due to countrywide COVID-19 lock down in March, 2020.

Pursuant to proviso to Section 197(4) of the Companies Act, 2013, the remuneration paid/ payable to Mr. Rajiv Goel is for services rendered by him in professional capacity i.e. as CFO of the Company & in opinion of the Nomination & Remuneration Committee, Mr. Rajiv Goel possesses the requisite qualification for practicing the said profession.

Mr. Rajiv Goel holds 2,000 equity shares equivalent to 0.001% of the total share capital of the Company. He has no interest in the capital of the Company, its subsidiaries, directly or indirectly or through any other statutory structures and do not have any direct or indirect interest or related to the directors or promoters of the Company or its subsidiaries.

Approval of the Lenders is still being sought out of abundant precaution.

The Board recommends the resolution set out at Item No. 5 for approval of the Members to be passed as a Special Resolution.

None of the Directors, except Mr. Rajiv Goel or Key Managerial Personnel of the Company/ their relatives are concerned or interested in the said Resolution.

By Orders of the Board  
**For ISMT Limited**

Chetan Nathani  
**Company Secretary**  
Pune, September 7, 2020



**PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT:**

<b>Name of Director</b>	<b>Mr. Rajiv Goel</b>	<b>Mr. B.R Taneja</b>
Age	67 years	84 years
Qualification	B.Com (Hons.), FCA, FCS	B.E. (Mechanical), PGDBM
Date of Appointment/ Re- appointment	October 1, 2020	December 1, 2020
Category	Whole-time Director	Managing Director
Experience and Expertise in specific functional Area	Mr. Rajiv Goel is a Chartered Accountant & Company Secretary having about 4 decades of Industrial Experience in fund management, finance, company law, legal, mergers & Acquisitions etc.	Mr. B. R. Taneja is the Promoter and founder of ISMT Group. He is a well known Technocrat in the field of seamless tube manufacturing with more than 5 decades of industrial experience.
Relationship with other Directors & Key Managerial Personnel of the Company	None	None
Equity Shareholding of Directors as on March 31, 2020	2,000	2,27,294*
Directorships held in other Companies	i. Structo Hydraulics AB, Sweden ii. Indian Seamless Inc., USA iii. PT ISMT Resources, Indonesia iv. ISMT Europe AB, Sweden	Knox Investments Pvt. Ltd.
Member/ Chairman of Committees of other Companies	NIL	NIL
Number of Meetings of the Board Attended during the year	5	4

\* includes shares held by Mr. B R Taneja as Karta of M/s. B R Taneja (HUF).

**IMPORTANT COMMUNICATION TO THE MEMBERS**

The Ministry of Corporate Affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Reports can be sent by e-mail to its members. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents can be downloaded by members from the Company's website: [www.ismt.com](http://www.ismt.com). To support this initiative of the Government in full measure, members who have not registered their e-mail address so far, are requested to register their e-mail address by sending e-mail to: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) with subject as 'E-mail for Green Initiative' mentioning Folio No./ DP Id & Client Id. Members holding shares in electronic form may register/ update their e-mail address through concerned Depository Participant(s).

**ADDITIONAL INFORMATION IN TERMS OF SUB-CLAUSE (iv) OF PROVISO TO SUB- PARA (B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013****I. GENERAL INFORMATION**

1. Nature of the Industry: The Company is in the business of manufacturing steel and seamless tubes and tubular products for the Bearing, Automotive, Mining, General Engineering, Energy and High Value OCTG Sectors.
2. Date or expected date of commercial production: Not applicable.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
4. Financial performance as per published audited financial results for the year ended March 31, 2020.

Particulars	Rs. in Crore
Turnover	1304.29
Net Profit/(Loss) after Tax	(240.43)
Total Expenditure	1562.21

5. Foreign investments or collaborators, if any – NIL

**II. INFORMATION ABOUT THE APPOINTEE**

Particulars	I. Mr. Rajiv Goel		
Background details	Mr. Rajiv Goel is a Chartered Accountant and Company Secretary with more than 40 years of Industrial experience.		
Past remuneration :			
Financial Year	2017-18	2018-19	2019-20
Salary and Perquisites	1,35,06,000	1,47,78,000	1,60,50,000
Recognition or awards	The Company has no information about it.		
Job Profile and his suitability	As a Whole-time Director, Mr. Rajiv Goel is responsible for all financial & legal operations & affairs of the Company. Taking into consideration his qualification & expertise in relevant fields, Board is of the opinion that he is suited for the responsibilities assigned to him.		
Remuneration proposed	The details of Remuneration to be paid are contained in Explanatory Statement annexed to the Notice.		
Comparative remuneration profile w/r/t industry, size of company, profile of position & person (in case of expatriates relevant details would be w.r.t country of his origin)	The proposed remuneration to Mr. Rajiv Goel as Chief Financial Officer of the Company is largely comparable with that of the remuneration paid to the other Chief Financial Officers in Engineering Industry in the region.		
Pecuniary relationship directly or indirectly with The company or relationship with the managerial personnel, if any.	Mr. Rajiv Goel is holding 2,000 fully paid Equity Shares of Rs. 5/- each, amounting to 0.001% of share capital of the Company. Apart from this, he does not have any pecuniary transactions with the Company except by way of his contract of employment with the Company.  He is not related to any Director/ Key Managerial Personnel of the Company.		

Particulars	II. Mr. B.R. Taneja		
Background details	Mr. B.R. Taneja has a B.E. (Mechanical) degree & Post Graduate Diploma in Business Management. He has more than 5 decades of industrial experience.		
Past remuneration :			
Financial Year	2017-18	2018-19	2019-20
Salary and Perquisites	1,80,00,000	1,88,00,000	2,04,00,000
Recognition or awards	The Company has no information about it.		
Job Profile and his suitability	As Managing Director of the Company, he is responsible for all the operations & affairs of the Company. Taking into consideration his qualification and expertise in relevant fields, the Board is of the opinion that he is suited for the responsibilities assigned to him.		
Remuneration proposed	The details of Remuneration to be paid are contained in Explanatory Statement annexed to the Notice.		
Comparative remuneration profile w/r/t industry, size of the company, profile of position & person (in case of expatriates relevant details would be w.r.t country of his origin)	The proposed remuneration to Mr. B R Taneja as Managing Director of the Company is largely comparable with that of the remuneration paid to the other Managing Directors in Engineering Industry in the region.		
Pecuniary relationship directly or indirectly with The company or relationship with the managerial personnel, if any.	Mr. B. R. Taneja is a Promoter of the Company holding 2,27,294 fully paid Equity Shares of Rs. 5/- each, amounting to 0.16% of the share capital of the Company. Apart from this, he does not have any pecuniary transactions with the Company except by way of his contract of employment with the Company.  He is not related to any Director or Key Managerial Personnel of the Company.		

### III. OTHER INFORMATION

#### 1. Reasons of loss or inadequate profits

The Company made huge investments in Captive Power Plant as well as in Ports & Power Projects which got impacted due to adverse Government policies. The Company has also invested huge sum in expanding capacity of Baramati Plant which remained highly underutilized due to prevailing market conditions. The above investments have put huge interest burden without corresponding returns. Turnover of the Company also got impacted due to slowdown in Auto Sector resulting in lower EBIDTA levels. Also, delay in restructuring of debt of the Company contributed to continued losses.

#### 2. Steps taken or proposed to be taken for improvement

- (i) The Anti-Dumping Duty on imports from China on certain products until May, 2021 would create additional demand for tubes. The Company is taking steps to seek continuation of the same.
- (ii) The Company is also taking steps for resolution of its debt with Lenders which, inter-alia, will also reduce the interest burden and also make Net-worth of the Company positive.
- (iii) The Company has also initiated a number of cost reduction measures including at its plants with emphasis on improving yields and reducing input cost

#### 3. Expected increase in productivity and profits in measurable terms

The aforesaid measures instituted are expected to improve the Company's performance in future. However, it is difficult to quantify the same.