



**MSP STEEL & POWER LIMITED**  
**CIN : L27109WB1968PLC027399**

Registered Office : 1, Crooked Lane, Kolkata - 700 069

Corporate Office: 16/S, Block-A, New Alipore, Kolkata - 700 053

Website: [www.mspsteel.com](http://www.mspsteel.com); Email Id : [investor.contact@mspsteel.com](mailto:investor.contact@mspsteel.com),

Phone No.: 033-4005 7777, Fax : 033-33-2398 2239/033-4005 7738

## NOTICE

To  
The Members,  
MSP Steel and Power Limited

NOTICE is hereby given that the 51<sup>st</sup> Annual General Meeting of **MSP STEEL & POWER LIMITED** will be held on Wednesday, September 30, 2020 at 5:00 P.M through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director, in place of Mr. Manish Agrawal (DIN: 00129240) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. To Approve the amount payable as Annual Remuneration to Mr. Suresh Kumar Agrawal, Non-Executive Director of the Company

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

“**RESOLVED THAT** pursuant to Regulation 17(6)(ca) of SEBI(Listing Obligation and Disclosure Requirements), Regulations, 2015 as amended from time to time (including any amendment(s) or modification(s) or re-enactment thereof) and upon recommendation and/or approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for payment of annual remuneration (including any fees or compensation or commission payable thereof) of sum of Rs 3,499,877/- (Thirty Four Lakh Ninety Nine Thousand Eight Hundred Seventy Seven Only) for the Financial year 2019-2020 to Mr. Suresh Kumar Agrawal, (DIN 00587623) Non Executive Director of the Company, being an amount exceeding fifty percent of the total Annual Remuneration payable to all the Non-Executive Directors of the Company”.

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company or any Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as it may its in absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

**4. Ratification of Remuneration payable to Mr. Sambhu Banerjee, appointed as Cost Auditors of the Company for the F.Y. 2020-21**

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 Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and as approved by the Board of Directors of the Company, remuneration of Rs. 25000/- (Rs. Twenty Five thousand only) (Excluding applicable taxes and reimbursement of travel and out of pocket expenses) to be paid to Mr. Sambhu Banerjee (Membership No. 9780), Cost Auditor of the Company to conduct the Cost Audit of the Cost records of the Company for the financial year 2020-2021, as approved by the Board of Directors of the Company based on the recommendation of the Audit Committee subject to the ratification by the shareholders of the Company.”

**5. To increase the Overall Managerial Remuneration of the Managerial person of the company**

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

**“RESOLVED THAT** in accordance with the provisions of section 197, section 198 of the Companies Act 2013 as amended by Companies (Amendment) Act, 2017 read with schedule V (Part II section II ) and such other applicable laws framed there under (including any statutory modification(s), re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination & remuneration Committee, approval of the members of the Company be and is hereby accorded that the overall limit of Managerial Remuneration payable to the Managerial person of the company for the financial year 2019-2020 is within the limits of the Act and the company intends to increase the limits for Managerial Remuneration in respect of financial year 2020-21 as prescribed under of schedule V of the Companies Act 2013.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps and to do all other act, deeds and things as may be necessary or desirable to give effect to this resolution”.

**6. Approval for Related Party Transaction(s) with MSP Sponge Iron Limited for purchase of Pig Iron and Silico Manganese and sale of finished goods & other Scrap Items**

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 Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and the Company’s policy on Related Party Transactions, approval of the Members be and is hereby accorded to the Board of Directors of the Company (‘Board’) to enter into contract(s)/ arrangement(s)/ transaction(s) with MSP Sponge Iron Limited., a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, for Purchase of Pig Iron and Silico Manganese and sale of finished goods & other Scrap Items on such terms and conditions (as detailed in the Statement annexed to the Notice), as the Board may deem fit, up to a maximum aggregate value of 300 crore at arm’s length basis and in the ordinary course of business, for the Financial Year 2020 -21.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Company Secretary or to any other Officer(s)/Authorized Representative(s) of the Company to do all such acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution(s).

By Order of the Board  
**MSP STEEL & POWER LTD**

**Registered Office:**

1, Crooked Lane  
Kolkata-700 069  
Dated: :5th September, 2020

**Shreya Kar**  
**Company Secretary**  
**Mem no.-A41041**

**NOTES:**

1. In view of the prevailing COVID-19 pandemic, the Ministry of Corporate Affairs (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020 and No. 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively (hereinafter, collectively referred as the "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, has allowed companies to conduct their annual general meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members at their AGM and accordingly, the **51<sup>st</sup> Annual General Meeting** (the "AGM" or the "Meeting") of **MSP STEEL & POWER Limited** (the "Company") will be held through VC or OAVM in compliance with the said circulars and the relevant provisions of the Companies Act, 2013 (as amended) (the "Act") and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
2. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the 51<sup>st</sup> Annual General Meeting of the company being conducted through Video Conferencing (VC) herein after called as "e-AGM".
3. In accordance with the provisions of Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, secretarial standard 2 on General Meeting issued by Institute of Companies Secretaries of India (ICSI) the proceeding of the AGM shall be deemed to be conducted at the Corporate office of the company which shall be the deemed venue of AGM.
4. **e-AGM:** Company has appointed M/s KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
5. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the 51<sup>st</sup> Annual General Meeting, is annexed hereto.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 DATED MAY 12, 2020, since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

8. Corporate members intending to attend/vote at AGM through VC / OAVM by their respective authorized representative(s) pursuant to section 113 of the Companies Act, 2013 to are requested to send their authorisations/ resolutions/ power of attorney to the Scrutinizer by e-mail on [ps@bajajitodi.in](mailto:ps@bajajitodi.in) with a copy marked to [evoting.karvy.com](mailto:evoting.karvy.com) and Ms. Shreya Kar ([shreya.kar@mspsteel.com](mailto:shreya.kar@mspsteel.com)) authorizing their representatives to attend and vote on their behalf at the Annual General Meeting of the Company
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. The Register of Members and Share Transfer Books of the Company shall not remain close as the Company is not declaring any Dividend for the FY 2019-2020
11. All the documents referred in the accompanying notice will be available for inspection through electronic mode on all working days till the date of this Annual General Meeting
12. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.
13. Brief details of the directors, who are being re-appointed, are annexed hereto as per requirements of regulation 36(3) of the SEBI Listing Regulations and as per provisions of the Act.

#### **UPDATION/REGISTRATION OF EMAIL IDS, MOBILE NOS., ADDRESSES etc**

14. Members holding shares **in dematerialised mode** are requested to register / update their email addresses with the relevant Depository Participant(s). Members holding shares **in physical mode** and who have not registered / updated their email address with the Bank are requested to register / update the same by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) with details of folio number, name of the member, self-attested copy of PAN, scanned copy of the share certificate (front and back) card along with the scanned copy of their request letter duly signed by the 1st shareholder
15. Members can also temporarily update their email address and mobile number with KFin, by the following steps. However, Members holding shares in electronic form, will have to once again register their email address and mobile number with their DPs, to permanently update the said information.
  - i) Visit the link [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/)
  - ii) Select the company name: MSP STEEL & POWER LIMITED
  - iii) Enter DPID Client ID (in case shares are held in dematerialised mode)/Physical Folio No. (in case shares are held in physical form) and Permanent Account Number ('PAN').
  - iv) In case shares are held in physical form, if PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
  - v) Enter the email address and mobile number.
  - vi) System will check the authenticity of the DPID Client ID/Physical Folio No. and PAN/Certificate No., as the case may be and send the OTPs to the said mobile number and email address, for validation.
  - vii) Enter the OTPs received by SMS and Email to complete the validation process. OTPs will be valid for 5 minutes only.
  - viii) In case the shares are held in physical form and PAN is not available, the system will prompt you to upload the self-attested copy of your PAN.
  - ix) System will confirm the email address for the limited purpose of serving the Notice of the 51st AGM, Annual Report of the Company for FY 2019-20 and the e-voting instructions along with the User ID and Password.
  - x) In case of any queries, Members are requested to send an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [evoting@kfintech.com](mailto:evoting@kfintech.com) or contact KFin at toll free number: 1800 345 4001.



### **DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE**

16. In accordance with the MCA Circulars and the said SEBI Circular dated May 12, 2020 and Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with Rule 18(1) of the Companies (Management and Administration) Rules, 2014 the Notice along with the Annual Report of the Company for the financial year ended March 31, 2020, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. K-Fin Technologies Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2020 shall be available on the websites of the Company viz., [www.mspsteel.com](http://www.mspsteel.com) and of the Stock Exchanges where Equity Shares of the Company are listed i.e. BSE Limited (<https://www.bseindia.com>) and National Stock Exchange of India Limited (<https://www.nseindia.com>) The Notice shall also be available on the website of Company's Registrar and Transfer Agent engaged for providing e-Voting facility, i.e., <https://evoting.karvy.com>

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

17. The Company will provide VC/OAVM facility to its members for participating at the AGM.
- a) Members will be able to attend the AGM through VC or OAVM or view the live webcast of the AGM provided by K-fin technologies private Ltd at <https://emeetings.kfintech.com> and click on the "video conference" and access the shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected.

Members are requested to follow the instructions mentioned below:

- i. Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>
  - ii. Enter the login credentials (i.e., User ID and password for e-voting).
  - iii. After logging in, click on "Video Conference" option
  - iv. Then click on camera icon appearing against AGM event of MSP STEEL & POWER LIMITED, to attend the Meeting. Further as Members will be required to allow Camera, usage of Internet with a good speed is recommended to avoid any disturbance during the meeting.
  - v. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- b) Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions.
- c) Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis (FIFO).
- d) Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DPID and Client ID/Folio No. at <https://emeetings.kfintech.com> from 25.09.2020 (9.00 a.m. IST) and ends on 26.09.2020 at (5.00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- e) Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
- f) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

- g) Members who need assistance before or during the AGM, can contact KFinTech on [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or call on toll free numbers 1800-425-8998 /1800-345-4001 . Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.

#### 18. Information And Instructions For E-Voting And Remote E-Voting

- a) Pursuant to provisions of Section 108 of the Companies Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI LODR, the company is providing the facility to the Members holding shares in physical or dematerialized form as on the cut-off date, being Wednesday, September 23, 2020, to exercise their rights to vote on the resolutions proposed to be passed at the AGM by electronic means **(‘e-voting’)**. Members may cast their vote remotely on the resolutions proposed to be passed at the AGM, using electronic voting system on the dates mentioned here-in-below **(‘Remote e-voting’)**.
- b) E-voting facility will also be made available at the AGM (‘InstaPoll’) and Members attending the AGM who have not cast their vote(s) by remote e-voting will be able to vote at the AGM through InstaPoll.
- c) The e-voting rights of the Members / beneficial owners shall be reckoned in proportion to equity shares held by them in the company as on Friday, September 4, 2020 (cut-off date fixed for this purpose), subject to the provisions of the Act
- d) The Company has appointed CS Swati Bajaj , Practicing Company Secretary from Bajaj Todi & Associates (ACS: 13216/CP no: 3502) to act as the Scrutinizer, to scrutinize the voting process in a fair and transparent manner, who have communicated their willingness to be appointed.
- e) The remote e-voting period commences on Sunday, September 27, 2020 (9.00 a.m. IST) and ends on Tuesday, September 29, 2020 (5.00 p.m. IST). During this period, Members of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., Wednesday, September 23, 2020 may cast their votes electronically through remote e-voting. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
- f) A member can opt for only single mode of voting i.e., through remote e-voting or voting at the Meeting (InstaPoll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as “INVALID

#### 19. In case a Member receives an email from K-FinTech (for Members whose email ids are registered with the Company/DPs) :

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii) Enter the login credentials **(i.e. User id and password mentioned on the E-mail)**. Your Folio No. / DP ID / Client ID will be your user ID. However, if you are already registered with K-FinTech for e-voting, you can use your existing User ID and password for casting your vote. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the ‘download’ section of <https://evoting.karvy.com> or contact toll free numbers on 1800 345 4001 (from 9.00 A.M. to 6.00 P.M.) for your existing password.
- iii) After entering these details appropriately, click on “LOGIN”.
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password . The new password shall comprise minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and one special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- v) You need to login again with the new credentials.

- vi) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for MSP STEEL & POWER LIMITED.
- vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under each of the heading of the resolution and cast your vote by choosing the "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head. Option "FOR" implies assent to the resolution and "AGAINST" implies dissent to the resolution.
- viii) You may then cast your vote by selecting an appropriate option and click on "Submit".
- ix) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as ABSTAINED.
- xi) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ps@bajajtodi.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVEN NO."

**20. In case a Member whose email address is not registered/updated with the Company / K-finTech/DPs please follow the following steps to generate your login credentials:**

- i) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to register / update the same by clicking on <https://karisma.kfintech.Com/shareholders> or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [investor.contact@mspsteel.com](mailto:investor.contact@mspsteel.com) or [shreya.kar@mspsteel.com](mailto:shreya.kar@mspsteel.com) or or clicking the link KFinTech at [https://ris.kfintech.com/email\\_registration](https://ris.kfintech.com/email_registration)
- ii) Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.
- iii) After due verification, the Company / KFinTech will forward your login credentials to your registered email address.
- iv) Follow the Instructions as mentioned in (vi) (A) (i-xii) to cast your vote.
- v) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).

**21. Information and Instructions for Insta poll**

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting. The following Steps should be followed:

- i) The e-Voting "Thumb sign" on the left hand corner of the video screen shall be activated upon instructions of the chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the "instapoll" page
- ii) Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- iii) Only those shareholders, who are present in the e-AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the e-AGM.

**Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.**

## 22. Other Information:

- (i) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "e-voting" for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.
- (ii) The Scrutinizer shall after the conclusion of voting at the general meeting, unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (iii) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company ([www.mspsteel.com](http://www.mspsteel.com)) and on Service Provider's website ([www.evotingindia.com](http://www.evotingindia.com)) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

By Order of the Board  
**MSP STEEL & POWER LTD**

**Registered Office:** 1,  
Crooked Lane  
Kolkata-700 069  
Dated: 5th September, 2020

**Shreya Kar**  
**Company Secretary**  
**Mem no.-A41041**

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## EXPLANATORY STATEMENT

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As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned in Item Nos. 3 of the accompanying Notice dated 5th September, 2020

### Item No. 3

The remuneration being paid to the Non-Executive Directors of the Company i.e Mr. Suresh Kumar Agrawal and Mr. Manish Agrawal during their tenure is within the limits as prescribed under the provisions of Companies Act, 2013.

As per Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations") which has come into force from April 01, 2019 as amended, the approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

The Board of Directors on recommendation of Nomination and Remuneration Committee at its meeting held on 14th September, 2020 has approved a remuneration of Rs 3,499,877/- (Thirty Four Lakh Ninety Nine Thousand Eight Hundred Seventy Seven Only) p.a. payable to Mr. Suresh Kumar Agrawal, (DIN 00587623) Non Executive Director of the company,(including, fees, commissions, sitting fees) payable for meetings attended during the Financial Year 2019-2020

Mr. Suresh Kumar Agrawal holds a Bachelor Degree in Mechanical Engineering from Jabalpur University. He has 45 years of rich and extensive Experience in the Steel Industry which has proved to be very instrumental in guiding the company towards growth and sustainability. His vision has seen the company achieve high standards of Corporate Governance, innovation, growth oriented projects etc. He has also played a pivotal role in maximizing shareholders value.

The Board deems it appropriate to recognize the contribution of Mr. Suresh Kumar Agrawal towards the company and to compensation such remuneration as it deems fair.

Except Mr. Manish Agrawal, and Mr. Saket Agrawal and their relatives, none of the Directors, Key Managerial Personnel or their relatives is deemed to be concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors recommends the Special Resolution as set out in Item No. 3 of the Notice for the approval of the Members.

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

The Board of Directors of the Company based on the recommendation of the Audit Committee at its meeting held on 22<sup>nd</sup> August 2020 has considered and approved the appointment Mr. Sambhu Banerjee, Cost Accountant (Membership No. 9780) as Cost Auditor of the Company to carry on the Cost Audit of the Company for the financial year ending 2020-2021 on a yearly remuneration of Rs. 25,000/- (excluding applicable taxes) subject to the ratification by the shareholders of the Company.

Pursuant to Section 148(3) and all other applicable provisions, of the Companies Act, 2013 and the Rules made there under the remuneration paid to the Cost Auditor needs to be ratified by the shareholders of the Company. Accordingly members consent by means of an Ordinary Resolution is sought for the resolution set out in Item No. 3 of the Notice.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item 4.

Your Director recommends the resolution as at Item no 4 for your approval.

#### **Item No. 5**

In accordance with section 197 of the Companies Act 2013 as amended by the Companies (Amendment) Act 2017 read with schedule V, the total managerial remuneration payable by the company to its Directors, including its Managing Director, Whole Time Director and Manager shall not exceed eleven percent of the Net profits of the Company for that financial year computed in the manner laid down in section 198.

In accordance with schedule V of the Act, the Company during the financial year 2019-2020 has incurred loss of Rs 6745.31Lacs . The effective Capital of the Company for the financial year 2019-2020 is Rs 105,294.39 Lacs and the yearly remuneration payable by the Company to its managerial person is Rs. 120.16 Lacs which is within the limits as provided in the Schedule.

The Board of Directors of the Company based on the recommendation of Nomination and Remuneration Committee at its meeting held on 14<sup>th</sup> August, 2019 recommends to increase the overall limit of Managerial Remuneration payable to the Managerial Person of the Company for the Financial Year 2020-21.

Accordingly the Board recommends Special Resolution set out in Item no 5 for approval of the Members.

#### **Item No. 6**

Approval of the shareholders of MSP Steel & Power Ltd(the company) is being sought, to enter into related party transaction(s) with MSP Sponge Iron Limited to Purchase of Pig Iron and Silico Manganese and Sale of finished Goods and other Scrap Items for an amount not exceeding 300 crore during the Financial year 2020-21.

Cost effective and assured supply of pig iron and silico manganese is the key requirement of the company. The Company intends to procure bulk Pig Iron and Silico Manganese and subsequent selling of the finished goods to MSP Sponge Iron Limited to have consistent control over quality of the supplies. This transaction will not only help the Company to manage manufacturing operations smoothly but also ensure consistent flow of desired quality and quantity of product for uninterrupted operations and increased productivity.

#### **Approval being sought for Financial Year 2020-21**

As per the requirements of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the SEBI Listing Regulations states that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with

previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. MSP Sponge Iron Limited is a related party in terms of Regulation 2(1)(zb) of the SEBI Listing Regulations. The estimated value of transaction with MSP Sponge Iron Limited for Financial Year 2020-21 will be Rs.300 crores, which would breach the materiality threshold of 10% of the annual turnover of the Company i.e. Rs 153.27 crores as per last audited financial statements of FY 2019-20. Hence, to ensure uninterrupted operations of the Company, it is proposed to secure shareholders' approval for the related party contracts/ arrangements to be entered into with MSP Sponge Iron Limited during Financial Year 2020-21, as mentioned in item no. 6 of the Notice

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions are as follows:

Sl no	Particulars	Remarks
1.	Name of Related Party	MSP Sponge Iron Limited
2.	Name of the Director or KMP who is related	1. Mr Manish Agrawal who is the Managing Director of MSP Sponge Iron Limited is also a Non executive Director in MSP Steel & Power Ltd 2. Mr. Suresh Kumar Agrawal who is a Director in MSP Sponge Iron Limited is also the Chairman of MSP Steel & Power Ltd
3.	Nature of Relationship	MSP Sponge Iron Ltd is the Group Company of MSP Steel & Power Ltd
4.	Nature, material terms, monetary value and particulars of the contract	The transaction involves purchase of Pig Iron and Silico Manganese on a continuous basis for an aggregate amount of Rs 300 Crores during the F.Y, 2020-2021
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	All important information forms part of the statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013 which has been mentioned in the foregoing paragraphs

None of the Directors, other than those mentioned herein above, and key managerial personnel of the Company or their relatives are concerned or interested in the resolution.

Accordingly the Board recommends Ordinary Resolution set out in Item no 6 for approval of the Members

**Registered Office:**

1, Crooked Lane  
Kolkata-700 069  
Dated: 5th September, 2020

By Order of the Board  
**MSP STEEL & POWER LTD**

**Shreya Kar**  
**Company Secretary**  
**Mem no.-A41041**