



LEO ISPAT LIMITED

CIN: U27300DL1993PLC052874

Registered Office at: Y-126, Ground Floor, Loha Mandi, Naraina, New Delhi-110028

W:www.leoispat.com

Ph. No.: [011-45642998](tel:011-45642998)

E:info@leoispat.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF LEO ISPAT LIMITED WILL BE HELD ON THURSDAY, 19TH DAY OF FEBRUARY, 2015 AT 01.00 PM AT Y-126, GROUND FLOOR, LOHA MANDI, NARAINA, DELHI-110028 AT SHORT NOTICE WITH THE CONSENT OF MEMBERS OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS:

SPECIAL BUSINESS(ES):

1. APPOINTMENT OF STATUTORY AUDITORS TO FILL CASUAL VACANCY

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, 141 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of Shareholders in General Meeting, to appoint M/s ARSK & Associates, Chartered Accountants, as the Statutory Auditors of the Company for the financial year ended as on March 31 2015, in order to fill up the casual vacancy caused due to the resignation of M/s Gupta Rakesh Kumar & Associates, New Delhi, to hold office from this meeting till the conclusion of ensuing Annual General Meeting of the company at such remuneration to be decided by the Board of Directors in consultation with the Auditors and reimbursement of out of pocket expenses incurred by them for the purpose of audit.”

2. TO REVISE REMUNERATION PAID TO MR. DEVI DAYAL GARG AS PROMOTER DIRECTOR

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

“**RESOLVED THAT** pursuant to the provisions of section 197, 196, 190 read with schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), as may be required, the consent of the Company be and is hereby accorded to the revision of remuneration and perquisites payable to Mr. Devi Dayal Garg, Director of the Company with effect from April 01, 2014 as Rs. 9,60,000/- p.a. for a period of 3 years with an increment clause of 10% p.a. for a period of 3 years, as recommended by the Remuneration Committee of the Board of Directors and as approved by Board of Directors and as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute power to decide breakup of the remuneration within the above said maximum permissible limit and in order to give effect to the forgoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

3. TO REVISE REMUNERATION PAID TO MRS. POONAM GARG AS EXECUTIVE DIRECTOR

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

“**RESOLVED THAT** pursuant to the provisions of section 197, 196, 190 read with schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), as may be required, the consent of the Company be and is hereby accorded to the revision of remuneration and perquisites payable to Mrs. Poonam Garg, Director of the Company with effect from April 01, -2014 as Rs. 9,60,000/- p.a. for a period of 3 years with an increment clause of 10% p.a., as recommended by the Remuneration Committee of the Board of Directors and as approved by Board of Directors and as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute power to decide breakup of the remuneration within the above said maximum permissible limit and in order to give effect to the forgoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

4. TO REVISE REMUNERATION PAID TO MR. DEEPANSHU GARG AS EXECUTIVE DIRECTOR

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

“**RESOLVED THAT** pursuant to the provisions of section 197, 196, 190 read with schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), as may be required, the consent of the Company be and is hereby accorded to the revision of remuneration and perquisites payable to Mr. Deepanshu Garg, Director of the Company with effect from April 01, 2014 as Rs. 6,00,000/- p.a. for a period of 3 years with an increment clause of 10% p.a. for a period of 3 years, as recommended by the Remuneration Committee of the Board of Directors and as approved by Board of Directors and as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute power to decide breakup of the remuneration within the above said maximum permissible limit and in order to give

effect to the forgoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

**For and on behalf of Board of Directors
LEO ISPAT LIMITED**

**DEVI DAYAL GARG
(Director)
(DIN:00136460)**

**Date: 18.02.2015
Place: New Delhi**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEEDS NOT BE A MEMBER OF THE COMPANY. The appointment of proxy shall be in the **Form No. MGT-11**. Proxies submitted on behalf of Limited companies societies, etc., must be supported by appropriate resolutions/ authority, as applicable.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Explanatory Statement: Explanatory Statement as required under sec 102(1) of the Companies Act 2013, in respect of special Business is enclosed herewith:

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013:

ITEM NO. 1

M/s. Gupta Rakesh Kumar & Associates, Chartered Accountants, Delhi have tendered their resignation from the position of Statutory Auditors due to pre-occupation in other assignments, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 (“Act”). Casual vacancy caused by the resignation of auditors can only be filled up by the Company in general meeting.

Board proposes that M/s. ARSK & Associates, Chartered Accountants, New Delhi, be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Gupta Rakesh Kumar & Associates, Chartered Accountants. M/s. ARSK & Associates, Chartered Accountants, New Delhi, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

ITEM NO. 2, 3 & 4

As per the provisions of section 197, 198, 203 of Companies Act, 2013 read with the relevant rules and provisions of schedule V of the Companies Act, 2013, it is necessary to get approval of members in their meeting for paying remuneration to promoter and / or executive directors of the company, if companies profit are inadequate. By seeing the valuable contribution and timely suggestion corresponding with the effective steps taken by Mr. Devi Dayal Garg, Mrs. Poonam Garg and Mr. Deepanshu Garg, the Executive Directors of the Company, for growth of the company. It is just and fair to pay the below mentioned remuneration to them.

(i) To Mr. Devi Dayal Garg

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

I. General Information									
Nature of Industry	Supply of various steel products in assorted dimensions and grade.								
Date or expected date of commencement of commercial production	Leo Ispat Limited has legacy of more than 20 years with its date of incorporation being April 2, 1993.								
Financial performance based on given indicators	The details of financial performance of the Company for the years 2013-14 and 2014-15 will be provided separately in the Annual Report of 2015.								
Foreign investments or collaborations, if any	NIL								
II. Information about the appointee									
Background details	Mr. Devi Dayal Garg is Promoter Director of the Company								
Past remuneration	Details of past remuneration are as follows: <p style="text-align: right;">(in Rs.)</p> <table border="1"><thead><tr><th>Year</th><th>Remuneration</th></tr></thead><tbody><tr><td>2013-14</td><td>900000</td></tr><tr><td>2012-13</td><td>900000</td></tr><tr><td>2011-12</td><td>780000</td></tr></tbody></table>	Year	Remuneration	2013-14	900000	2012-13	900000	2011-12	780000
Year	Remuneration								
2013-14	900000								
2012-13	900000								
2011-12	780000								
Recognition or awards	Under the leadership of Mr. Devi Dayal Garg, the Company has won BEST DEALER AWARD by ESSAR for northern India.								
Job profile and his suitability	Mr. Devi Dayal Garg is a commerce graduate from Delhi University. He has over 30 years of professional experience in the overall managerial areas. Taking this into consideration, the Board bestowed the task of managing the overall operations of the Company, day to day management of the Company and implementation of Board policies and decisions. Under Mr. Devi Dayal Garg's leadership, the Company has achieved new heights and remarkable								

	growth.
Remuneration proposed	Rs. 960000 p.a. for financial year 2014-15 with the 10% increase for each of the financial year 2015-16 and 2016-17 over the remuneration as at 31 st March of the previous year.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of other promoter directors of similar sized steel trading companies.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration, Mr. Devi Dayal Garg holds 44170 Equity Shares of the Company constituting 4.88% of total paid up capital of the company.
III. Other Information	
Reasons of loss or inadequate profits	Due to fluctuation in the steel prices during the current financial year the company has to suffer in a way to have less profits against the projected / expected profits.
Steps taken or proposed to be taken for improvement	With the improvements in technology and processes and keeping a large amount for uncertainty, it expects a significant reduction in its operational costs. Further, the Company is in the process of diversifying its business activities in order to make a balance of consistent inflow of funds into the business.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken / to be taken by the Company are expected to improve the Company's performance and profitability in the future by 25-30% in the next 2-3 years.
IV. Disclosures: As required, the information is provided under Corporate Governance Section of Annual Report 2014.	

(ii) To Mrs. Poonam Garg

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

I. General Information	
Nature of Industry	Supply of various steel products in assorted dimensions and grade.
Date or expected date of commencement of commercial production	Leo Ispat Limited has legacy of more than 20 years with its date of incorporation being April 2, 1993.
Financial performance based on given indicators	The details of financial performance of the Company for the years 2013-14 and 2014-15 will be provided separately in the Annual Report of 2015.

Foreign investments or collaborations, if any	NIL								
II. Information about the appointee									
Background details	Mrs. Poonam Garg is Executive Director of the Company								
Past remuneration	<p>Details of past remuneration are as follows:</p> <p style="text-align: right;">(in Rs.)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Remuneration</th> </tr> </thead> <tbody> <tr> <td>2013-14</td> <td>900000</td> </tr> <tr> <td>2012-13</td> <td>900000</td> </tr> <tr> <td>2011-12</td> <td>780000</td> </tr> </tbody> </table>	Year	Remuneration	2013-14	900000	2012-13	900000	2011-12	780000
Year	Remuneration								
2013-14	900000								
2012-13	900000								
2011-12	780000								
Recognition or awards	Under the leadership of Mrs. Poonam Garg, the Company has won BEST DEALER AWARD by ESSAR for northern India.								
Job profile and his suitability	Mrs. Poonam Garg is a commerce graduate from Delhi University. She has over 24 years of professional experience in the overall managerial areas. Taking this into consideration, the Board bestowed the task of managing the overall operations of the Company, day to day management of the Company and implementation of Board policies and decisions. Under Mrs. Poonam Garg's leadership, the Company has achieved new heights and remarkable growth.								
Remuneration proposed	Rs. 960000 p.a. for financial year 2014-15 with the 10% increase for each of the financial year 2015-16 and 2016-17 over the remuneration as at 31 st March of the previous year.								
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of other executive directors of similar sized steel trading companies.								
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration, Mrs. Poonam Garg holds 26060 Equity Shares of the Company constituting 2.88% of total paid up capital of the company.								
III. Other Information									
Reasons of loss or inadequate profits	Due to fluctuations in the steel prices during the current financial year the company has to suffer in a way to have less profits against the projected / expected profits.								
Steps taken or proposed to be taken for improvement	With the improvements in technology and processes and keeping a large amount for uncertainty, it expects a								

	significant reduction in its operational costs. Further, the Company is in the process of diversifying its business activities in order to make a balance of consistent inflow of funds into the business.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken / to be taken by the Company are expected to improve the Company's performance and profitability in the future by 25-30% in the next 2-3 years.
IV. Disclosures: As required, the information is provided under Corporate Governance Section of Annual Report 2014.	

(iii) To Mr. Deepanshu Garg

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

I. General Information									
Nature of Industry	Supply of various steel products in assorted dimensions and grade.								
Date or expected date of commencement of commercial production	Leo Ispat Limited has legacy of more than 20 years with its date of incorporation being April 2, 1993.								
Financial performance based on given indicators	The details of financial performance of the Company for the years 2013-14 and 2014-15 will be provided separately in the Annual Report of 2015.								
Foreign investments or collaborations, if any	NIL								
II. Information about the appointee									
Background details	Mr. Deepanshu Garg is Executive Director of the Company								
Past remuneration	Details of past remuneration are as follows: (Rs. In lakhs) <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Remuneration</th> </tr> </thead> <tbody> <tr> <td>2013-14</td> <td>270000</td> </tr> <tr> <td>2012-13</td> <td>NIL</td> </tr> <tr> <td>2011-12</td> <td>NIL</td> </tr> </tbody> </table>	Year	Remuneration	2013-14	270000	2012-13	NIL	2011-12	NIL
Year	Remuneration								
2013-14	270000								
2012-13	NIL								
2011-12	NIL								
Recognition or awards	NIL								
Job profile and his suitability	Mr. Deepanshu Garg is undergoing BBA from Lanchester University(U.K.). He has over 5 years of professional experience in the overall managerial areas. Taking this into consideration, the Board bestowed the task of managing the overall operations of the Company, day to day management of the Company and implementation of Board policies and decisions. Under Mr. Deepanshu Garg's leadership, the Company has achieved new heights and remarkable growth.								

Remuneration proposed	Rs. 600000 p.a. for financial year 2014-15 with the 10% increase for each of the financial year 2015-16 and 2016-17 over the remuneration as at 31 st March of the previous year.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of other executive directors of similar sized steel trading companies.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration, Mr. Deepanshu Garg holds 2550 Equity Shares of the Company constituting 0.28% of total paid up capital of the company.
III. Other Information	
Reasons of loss or inadequate profits	Due to fluctuations in the steel prices during the current financial year the company has to suffer in a way to have less profits against the projected / expected profits.
Steps taken or proposed to be taken for improvement	With the improvements in technology and processes and keeping a large amount for uncertainty, it expects a significant reduction in its operational costs. Further, the Company is in the process of diversifying its business activities in order to make a balance of consistent inflow of funds into the business.
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken / to be taken by the Company are expected to improve the Company's performance and profitability in the future by 25-30% in the next 2-3 years.
IV. Disclosures: As required, the information is provided under Corporate Governance Section of Annual Report 2014.	

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 2, 3 and 4 of the notice except the interest as disclosed hereinabove of the said notice.

The Board recommends the Special Resolution set out at item No. 2, 3 and 4 of the Notice for approval by the members.

**By order of the Board for
LEO ISPAT LIMITED**

**Date: 18.02.2015
Place: New Delhi**

**DEVI DAYAL GARG
DIRECTOR
DIN: 00136460**