



## ELECTROSTEEL CASTINGS LIMITED

CIN : L27310OR1955PLC000310

**Registered Office :** Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017, India

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**Corporate Office :** G. K. Tower, 19 Camac Street, Kolkata 700 017, India

**Tel :** +91 033 2283 9990; **Fax :** +91 033 2289 4339

**Website :** www.electrosteelcastings.com; **E-mail :** companysecretary@electrosteel.com

### NOTICE

Notice is hereby given that an Extra-ordinary General Meeting of the Members of Electrosteel Castings Limited will be held on Saturday, 11 August 2018 at 11.30 a.m. at the Registered Office of the Company at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017 to transact the following businesses:

#### SPECIAL BUSINESS:

1. Issue of Equity Shares on Preferential Basis

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Foreign Exchange Management Act, 1999, as amended (“FEMA”), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (“SEBI (ICDR) Regulations”), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended, the rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, the Reserve Bank of India (RBI), Securities and Exchange Board of India (“SEBI”), the stock exchanges where the shares of the Company are listed and subject to requisite approvals, consents, permissions and/or sanctions if any, of SEBI, and other appropriate authorities, including RBI, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to create, issue, offer and allot 4,85,26,861 Equity Shares of face value of Re.1/- each fully paid up at a price of Rs.28.85 per Equity Share (inclusive of a share premium of Rs. 27.85 per Equity Share) determined in accordance with SEBI (ICDR) Regulations to the following proposed allottees on preferential basis in accordance with all applicable laws, rules and regulations for the time being in force in this regard:

Sl. No.	Name of the Proposed allottees	Category	No. of Equity Shares proposed to be allotted
1.	Electrocast Sales India Ltd.	Promoter Group	34,66,204
2.	Uttam Commercial Co Ltd	Promoter Group	34,66,204
3.	G.K. & Sons Pvt. Ltd.	Promoter Group	69,32,409
4.	India Opportunities Growth Fund Ltd. – Pinewood Strategy	Foreign Portfolio Investor	2,25,30,329
5.	Rohak Merchants Private Limited	Body Corporate	1,21,31,715
<b>Total</b>			<b>4,85,26,861</b>

RESOLVED FURTHER THAT in accordance with the provisions of the SEBI (ICDR) Regulations, the ‘relevant date’ for the purpose of determination of the price of Equity Share to be issued and allotted as above shall be Thursday, 12 July 2018.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, the names of the proposed allottees be recorded for the issue of invitation to subscribe to the Equity Shares and the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to issue a private placement offer letter in Form PAS-4 together with an application form to the proposed allottees inviting them to subscribe to the Equity Shares.

RESOLVED FURTHER THAT the Equity Shares to be allotted in terms of this resolution shall rank pari passu in all respects (including entitlement to voting powers and dividend) with the existing fully paid-up equity shares of the Company and shall be subject to the relevant provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Equity Shares shall be issued and allotted by the Company to the allottees in dematerialized form within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of such approval.

RESOLVED FURTHER THAT the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of Chapter VII of the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for the purpose of issue and allotment of the Equity Shares and listing thereof with the stock exchanges, the Board be and is hereby authorised to take all steps and to perform and execute all such acts, matters, deeds and things as they may consider necessary, expedient, usual or proper including appointing advisors, consultants, accountants, auditors, attorneys, advocates, consultant firms or any other agencies, execute the necessary documents and enter into contracts, arrangements, agreements, documents, filing such forms with and providing such information to the Governmental Authorities, making such disclosures to the stock exchanges and issuing advertisements and announcements, affixing the common seal of the Company in accordance with the Articles of Association of the Company on such documents and papers, approving all expenses and payments in relation to the foregoing and furnishing certified true copies of this resolution, as may be required or they deem necessary to comply with all other requirements in this regard and for any matters connected herewith or incidental hereto.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorised to delegate any or all of the powers conferred upon it by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company.”

2. Re-appointment of Mr. Uddhav Kejriwal (DIN: 00066077) as the Whole-time Director of the Company

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the Act and all guidelines and clarifications for managerial remuneration issued by the Ministry of Corporate Affairs from time to time and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be necessary, consent of the Company be and is hereby accorded for the re-appointment of Mr. Uddhav Kejriwal (DIN: 00066077) as the Whole-time Director of the Company for a period of 5 (five) years with effect from 16 June 2018 on the following terms and conditions including remuneration and perquisites for a period of 3 (three) years, as under:

**Salary**

Rs.7,50,000 per month in the grade of Rs.7,50,000-50,000-8,50,000 with such revisions as may be determined by the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) from time to time.

**Commission**

Commission on the net profits of the Company for the relevant financial year computed in the manner laid down under Section 198 of the Act, subject to the overall ceilings stipulated in Section 197 read together with Schedule V to the Act. The commission payable shall be approved by the Board at the end of the relevant financial year taking into account all other factors.

**Perquisites**

**Housing**

Free furnished residential accommodation or House Rent Allowance upto 60% of salary in lieu thereof. Expenditure incurred on electricity will be borne by the Company, subject to Income Tax Rules.

**Medical Reimbursement**

Reimbursement of actual expenses incurred for self and family.

**Leave Travel Concession**

For self and family in accordance with the Rules of the Company applicable to the senior executives.

**Club Fees**

Reimbursement of Membership fees for two Clubs including admission and life membership fees.

**Contribution to Provident Fund and Superannuation / Annuity Fund**

The Company's contribution to Provident Fund and Superannuation or Annuity Fund as per the Rules of the Company applicable to the senior executives.

**Gratuity**

As per Rules of the Company applicable to the senior executives.

**Leave Pay**

Leave with full pay and allowances as per the Rules of the Company.

**Conveyance**

A Company maintained car will be provided for the use in the Company's business. Use of car for personal purpose shall be billed to him separately.

**Telephone and other Communication Facilities**

The Company shall provide telephone and other communication facilities at the residence of Mr. Kejriwal. Use of personal long distance calls shall be billed to him separately.

**Personal Accident & Term Insurance**

Premium not to exceed Rs.2,00,000 per annum.

Other benefits, amenities and facilities as per Company's Rules.

Subject to overall remuneration mentioned hereinabove, Mr. Kejriwal may be given any other allowances, benefits and perquisites as the Board may from time to time decide.

Perquisites shall be evaluated as per the Income Tax Rules, 1962, wherever applicable and in the absence of any such Rules, perquisites shall be evaluated at cost.

**MINIMUM REMUNERATION**

Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. Uddhav Kejriwal, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the maximum as laid down in Section II of Part II of Schedule V to the Act as minimum remuneration.

RESOLVED FURTHER THAT subject to the overall superintendence, direction and control of the Board of Directors, Mr. Uddhav Kejriwal, Whole-time Director shall be responsible for the management of the affairs of the Company and be accountable to the Board of Directors. The appointment may be terminated by either party by giving to the other, one month notice in writing.

RESOLVED FURTHER THAT the Board of Directors or any Committee of the Board so authorised by it, be and are hereby authorised to alter and vary the terms and conditions of the appointment including the remuneration, as may be agreed between the Board of Directors and Mr. Uddhav Kejriwal and/or in such manner and to such extent as may be permitted or authorised in accordance with the provisions under the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force).

RESOLVED FURTHER THAT Mr. Uddhav Kejriwal shall be liable to retire by rotation, provided that such retirement shall not, if Mr. Kejriwal is re-appointed at the same meeting at which he retires by rotation, affect his appointment as the Whole-time Director of the Company which shall continue to be for a period of five years with effect from 16 June 2018.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all steps and do all acts, deeds and things as may be necessary, proper and expedient to give effect to this resolution."

By order of the Board of Directors  
**For Electrosteel Castings Limited**

12 July 2018  
Kolkata

**Subhra Giri Patnaik**  
Company Secretary

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out details relating to Special Business to be transacted at the meeting is annexed hereto.
2. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT EXTRA-ORDINARY GENERAL MEETING (EGM/THE MEETING) OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND**

**AND VOTE ON HIS/HER BEHALF AT THE MEETING AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE MEETING.** Members are requested to note that a person can act as proxy on behalf of the Members not exceeding 50 (fifty) and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.
4. Corporate Members/Trusts/Societies etc. intending to send their authorised representatives to attend the meeting are requested to send a duly certified copy of the Board/Managing Committee Resolution together with the specimen signature of the representative authorised under the said Resolution to attend and vote on their behalf at the Meeting.
5. All documents referred to in the accompanying Notice and the Explanatory Statement will be available for inspection at the Registered Office and copies thereof will be made available at the Corporate Office during business hours on all working days, up to and including the date of the EGM of the Company.
6. **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
7. Voting through electronic means

- I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Members are provided with the facility to exercise their right to vote on the resolutions proposed to be considered at the EGM by electronic means. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the EGM "remote e-voting" will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the EGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- III. The Members who have cast their vote by remote e-voting prior to the EGM may also attend the EGM but shall not be entitled to cast their vote again.

- IV. The remote e-voting period commences on 8 August 2018 (9:00 a.m.) and ends on 10 August 2018 (5:00 p.m.). 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. 4 August 2018, may cast their vote by remote e-voting in the manner and process set out herein below. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- V. The process and manner for remote e-voting are as under:  
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.
  7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - VII. 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 future communication(s).
  - VIII. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date being 4 August 2018.
  - IX. Any person, who acquires shares of the Company or become Member of the Company after despatch of the notice and holding shares as on the cut-off date i.e. 4 August 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or issuer/RTA.
  - X. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the EGM through ballot paper.
  - XI. Ms. Rashmi Bihani of M/s Bihani Rashmi & Co., Chartered Accountants (Membership No. FCA 064298) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - XII. The Chairman shall, at the EGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of "Ballot Paper" for all those Members who are present at the EGM but have not cast their votes by availing the remote e-voting facility.
  - XIII. The Scrutinizer shall after the conclusion of voting at the EGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote 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 EGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - XIV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.electrosteelcastings.com](http://www.electrosteelcastings.com), Notice Board of the Company at its Registered Office as well as Corporate Office and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.
8. A Route map showing direction to reach the venue of the EGM is given at the end of this Notice as per the requirement of the Secretarial Standard 2 on General Meetings.

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

#### **Item No. 1**

In order to meet long term working capital requirements including regular capital expenditure requirements as well as for general corporate purpose of the Company, the Board of Directors of the Company ("Board") in its meeting held on 12 July 2018, has authorised the issuance and allotment, of an aggregate of upto 4,85,26,861 (Four Crore Eighty Five Lakh Twenty Six Thousand Eight Hundred and Sixty One) fully paid up equity shares of face value of INR 1 each of the Company at an issue price of Rs. 28.85 (including a premium of Rs. 27.85) per Equity Share ("Issue Price"), for a cash consideration aggregating upto Rs.140 Crore (Rupees One Hundred Forty Crore Only), subject to approval by its members, by way of a preferential issue, to the proposed allottees, as detailed in the resolution as set out at Item No. 1 of the accompanying Notice, which the proposed allottees has agreed to subscribe.

The Company is listed on both National Stock Exchange of India Limited and BSE Limited. The offer and issue of the Equity Shares, by way of a preferential issue to the proposed allottees, is in accordance with the provisions of the Companies Act, 2013, Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 [SEBI (ICDR) Regulations] and other applicable provisions of Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder and any other Rules / Regulations / Guidelines, if any, prescribed by any other regulatory authorities.

The other disclosures in accordance with the Companies Act, 2013, as amended, the SEBI (ICDR) Regulations and other applicable provisions of law, in relation to the Special Resolution set out at Item No. 1 of the accompanying Notice are as follows:

**a. The object of the preferential issue:**

To meet long term working capital requirements including regular capital expenditure requirements as well as for general corporate purpose of the Company, the Company has proposed the Issue of Shares on Preferential Basis to selected person to meet its capital requirements in due course.

**b. Total number of shares to be issued:**

4,85,26,861 Equity Shares of face value of Re.1 each are proposed to be issued.

**c. Price of Equity Shares at which allotment is proposed:**

The price of the Equity Shares has been calculated in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations. The price of the Equity Shares arrived at is Rs. 28.85 per Equity Share (i.e. face value of Re. 1/- each and premium of Rs. 27.85 per Equity Share).

**d. Basis on which the price has been arrived at along with the report of the Registered Valuer:**

The Issue Price, in terms of the provisions of Chapter VII of the SEBI (ICDR) Regulations has been fixed at INR 28.85 per Equity Share.

As per Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, the price of shares to be issued on a preferential basis by a listed company shall not be required to be determined by the valuation report of a registered valuer.

**e. Relevant Date:**

The Relevant date for the purpose of calculation of price of the Equity Shares is 12 July 2018 being 30 days prior to the date of Extra-ordinary General Meeting to be held in terms of SEBI (ICDR) Regulations.

**f. The name and class of persons to whom allotment is proposed to be made and the identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them:**

The name of the Proposed Allottees, Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the Proposed Allottees, the percentage of pre and post preferential issue capital that may be held by them is:

Sr. No.	Name & PAN of the Proposed Allottees	Category	Pre allotment holding		No. of Equity Shares proposed to be allotted	Post Allotment holding		Ultimate Beneficial Owners
			No. of Shares	% of holding		No. of Shares	% of holding	
1	Electrocast Sales India Ltd. PAN: AAACE5671N	Promoter Group	2,98,99,981	8.38%	34,66,204	3,33,66,185	8.23%	Refer Note 1
2	Uttam Commercial Co. Ltd. PAN: AAACU2823Q	Promoter Group	1,85,90,570	5.21%	34,66,204	2,20,56,774	5.44%	Refer Note 2
3	G. K. & Sons Pvt. Ltd. PAN: AAACG8389H	Promoter Group	3,67,31,833	10.29%	69,32,409	4,36,64,242	10.77%	Refer Note 3
4	India Opportunities Growth Fund Ltd.- Pinewood Strategy PAN: AACCI5037L	Foreign Portfolio Investor	-	-	2,25,30,329	2,25,30,329	5.56%	Refer Note 4
5	Rohak Merchants Private Limited PAN: AAECR9015K	Bodies Corporate	-	-	1,21,31,715	1,21,31,715	2.99%	Refer Note 5

**Notes:**

1. Electrocast Sales India Ltd (ESIL) is a NBFC registered under the Companies Act, 1956. One of the Shareholders, Sreeji Family Benefit Trust (SFBT) holds 95.21% in ESIL. The beneficiaries are Ms. Asha Kejriwal, Mr. Mayank Kejriwal and Ms. Aarti Kejriwal with 50%, 25% and 25% interest respectively in SFBT.
2. Uttam Commercial Co Ltd (UCCL) is a NBFC registered under the Companies Act, 1956. One of the Shareholders, Sreeji Family Benefit Trust (SFBT) holds 96.32% in UCCL. The beneficiaries are Ms. Asha Kejriwal, Mr. Mayank Kejriwal and Ms. Aarti Kejriwal with 50%, 25% and 25% interest respectively in SFBT.
3. G.K. & Sons Pvt. Ltd (GKSPL) is a NBFC Company registered under the Companies Act, 1956. One of the Shareholders, Sreeji Family Benefit Trust (SFBT) holds 68.23% shares in GKSPL. The beneficiaries are Ms. Ms. Asha Kejriwal, Mr. Mayank Kejriwal and Ms. Aarti Kejriwal with 50%, 25% and 25% interest respectively in SFBT.

4. India Opportunities Growth Fund Ltd – Pinewood Strategy (IOGPS), is a Category II Foreign Portfolio Investor registered with SEBI under the SEBI (Foreign Portfolio Investors) Regulations, 2014 bearing registration number INMUFP226415. Kaizen Asset Management Limited (KAML), an entity incorporated and having registered office address in Mauritius, is the Investment Manager of IOGPS, and holds 100% of the management shares of IOGPS. KAML is held by Payaash Capital (Singapore) Pte. Ltd., an entity incorporated and registered in Singapore, which is wholly owned by Mr. Sanjeev Mohta, a Singapore citizen.

ADIC Diversified Investment Fund Limited (ADIC), an entity incorporated in Bermuda, holds 100% redeemable participating shares of IOGPS. ADIC is a broad-based institutional fund authorised by the Bermuda Monetary Authority (BMA). There is no natural person who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than 25% of the shares or capital or profits of ADIC.

5. Rohak Merchants Private Limited is a private limited company incorporated under the Companies Act, 1956. Mr. Madhu Sudan Dalmia is the ultimate beneficial owner who holds 99.53% shares of Rohak Merchants Private Limited.

**g. Proposal/Intention of the Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the proposed preferential offer:**

The following Promoter Group entities, viz., Electrocast Sales India Ltd., Uttam Commercial Ltd. and G. K. & Sons Pvt. Ltd. have proposed to subscribe to the equity shares of the Company under the preferential issue and the Company has received the letter of intent from them agreeing to subscribe to the offer. None of the other Promoters, Directors and Key Management Personnel of the Company will subscribe to the proposed offer.

**h. Proposed time within which the preferential issue shall be allotted/completed:**

The issue and allotment of Equity Shares to the Proposed Allottees will be completed within a period of 15 (fifteen) days from the date of passing of this Special Resolution, provided that, if any approval or permission by any regulatory authority or the Central Government for allotment is pending, the allotment shall be completed within a period of 15 (fifteen) days from the date of such last approval.

**i. Change in control, if any, in the Company that would occur consequent to the preferential offer:**

There shall be no change in control or management of the Company pursuant to the issue and allotment of the Equity Shares. However post issue, the shareholding of Promoter & Promoter Group shall reduce from 53.02% to 50.09%.

**j. The number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**

This is the first preferential issue of equity shares by the Company in this year and no other persons have been allotted any securities on preferential basis during the current year.

**k. The Shareholding Pattern of the Company before and after the preferential issue:**

The Shareholding Pattern of the Company pre and post preferential allotment is given below:

Sl. No.	Category	Pre Issue*		Post Issue**	
		No. of Shares held	% of Share holding	No. of Shares held	% of Share holding
A.	Promoters' Holding:				
1.	Indian:				
	Individual/ Hindu Undivided Family	4,09,80,703	11.48	4,09,80,703	10.11
	Bodies Corporate	14,82,74,369	41.54	16,21,39,186	39.99
	Sub-total	18,92,55,072	53.02	20,31,19,889	50.09
2.	Foreign Promoters	0	0.00	0	0.00
	Sub-total (A)	18,92,55,072	53.02	20,31,19,889	50.09
B.	Non-Promoters' holding:				
1.	Institutional Investors	2,71,00,106	7.59	4,96,30,435	12.24
2.	Non-Institutions:				
	Private Corporate Bodies	1,74,47,568	4.89	2,95,79,283	7.29
	Directors and Relatives	13,850	0.00	13,850	0.00
	Indian Public	9,19,00,431	25.75	9,19,00,431	22.66
	Others (Including NRIs)	3,12,38,295	8.75	3,12,38,295	7.70
	Sub-total (B)	16,77,00,250	46.98	20,23,62,294	49.91
	<b>GRAND TOTAL</b>	<b>35,69,55,322</b>	<b>100.00</b>	<b>40,54,82,183</b>	<b>100.00</b>

\* the pre-issue shareholding pattern is as of 30 June 2018.

\*\* assuming no change in pre-issue shareholding pattern, except present preferential issue of 4,85,26,861 Equity Shares

## **I. Undertakings**

- i. An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provisions of SEBI (ICDR) Regulations where it is required to do so – As the equity shares of the Company are listed with National Stock Exchange of India Limited and BSE Limited for more than 26 weeks as on the relevant date, the same is not applicable to the Company.
- ii. An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees – As the equity shares of the Company are listed with National Stock Exchange of India Limited and BSE Limited for more than 26 weeks as on the relevant date, the same is not applicable to the Company.

### **m. Lock-in period:**

- i. The Equity Shares to be allotted pursuant to preferential issue shall be subject to 'lock-in' as per the SEBI (ICDR) Regulations.
- ii. The entire pre-preferential allotment shareholding, if any, of the proposed allottee(s) shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval as per Regulation 78(6) of the SEBI (ICDR) Regulations.

### **n. Disclosure pertaining to wilful defaulters:**

Neither our Company, nor our Directors or Promoters have been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

### **o. Auditors Certificate:**

The Certificate from M/s. Singhi & Co., Chartered Accountants, Statutory Auditors of the Company, certifying that the preferential issue is being made in accordance with the requirements of the SEBI (ICDR) Regulations shall be placed before the EGM of the members.

In terms of provisions of Section 62(c) of the Companies Act, 2013, approval of the shareholders through Special Resolution is required for issuance of Equity Shares on preferential basis. Accordingly, the consent of the shareholders is being sought, pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (ICDR) Regulations to issue and allot Equity Shares on Preferential basis as stated in the Resolution.

The Board recommends the Resolution as set out in item No. 1 of the Notice for approval of the Members of the Company.

Mr. Umang Kejriwal, Managing Director, Mr. Mayank Kejriwal, Joint Managing Director, Mr. Uddhav Kejriwal, Whole-time Director and Ms. Nityangi Kejriwal, Non-Executive Director may be deemed interested in the resolution to the extent of the Equity Shares proposed to be allotted to the companies in which they or their relatives are directly or indirectly interested. Except them none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in the Notice.

## **Item No. 2**

Mr. Uddhav Kejriwal was re-appointed as the Whole-time Director of the Company for a period of 5 (five) years with effect from 16 June 2013.

The Board had at its meeting held on 15 May 2018 on the recommendation of the Nomination and Remuneration Committee and considering the role played by Mr. Uddhav Kejriwal in developing and executing business plans, operational plans, risk management and managing the financial affairs of the Company, had re-appointed him as the Whole-time Director of the Company, for a period of 5 (five) years with effect from 16 June 2018 and approved remuneration payable for a period of 3 (three) years on the terms and conditions as mentioned in the said resolution subject to the approval of the Members.

Mr. Uddhav Kejriwal is also one of the promoters of the Company. The annual remuneration payable to him or the aggregate annual remuneration payable to him taken together with other promoter directors may exceed the limits prescribed under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, notified on 9 May 2018 (to be effective from 1 April 2019).

Hence, the re-appointment and the remuneration payable to Mr. Uddhav Kejriwal is being recommended to be passed by way of special resolution.

The information as required under the provisions of Schedule V of the Companies Act, 2013 (the Act) is furnished below:

### **(I) General Information:**

1. Nature of Industry  
Manufacturer of Ductile Iron Pipe, Ductile Iron Fittings and Cast Iron Pipe

2. Date or expected date of commencement of commercial production:

The Company is already in production for last several decades. The Company was incorporated in the year 1955. As on date, the Company has Ductile Iron Pipe Plant with a total capacity of 280,000 TPA, Cast Iron Pipe Plant with a total capacity of 108,000 TPA, 12MW Power Plant and Coke Oven Plant with a total capacity of 225,000 TPA.

3. Financial performance based on given indicators:

(Rs. In Lakh)

Particulars	FY 2017-18	FY 2016-17	FY 2015-16
Revenue from Operations	1,94,366.44	1,83,207.85	2,01,615.28
Other Income	7,991.72	9,703.96	4,120.41
Earnings Before Interest, Taxes, Depreciation and Amortisation	30,512.54	37,323.04	30,595.05
Less : Finance Costs	20,231.83	20,105.16	16,907.79
Less : Depreciation and Amortisation expense	5,921.85	6,368.85	6,488.50
Profit Before Tax	4,358.86	10,849.03	7,198.76
Less : Tax Expense	(339.78)	3,120.73	1,611.74
Profit After Tax	4,698.64	7,728.30	5,587.02

4. Foreign investments or collaborations, if any: NIL

**(II) Information about Mr. Uddhav Kejriwal**

(1) Background details:

Mr. Uddhav Kejriwal, aged about 39 years is a commerce graduate from Calcutta University. He joined as Whole-time Director of the Company with effect from 16 June 2003. After joining in June 2003, he has made a major contribution for the creation of the Company's Haldia facility having 2.95 Lakhs TPA coke making capacity, 60,000 MT sponge Iron capacity and 12 MW Power Plant. Mr. Kejriwal oversees all financial affairs and commercial issues pertaining to the business of the Company. He has played an important role in developing, managing and executing business plans, operational plans, risk management, and financial affairs of the organisation. He has timely and effectively executed strategies on priorities and with measures set by the Board. He possesses a good understanding of the Company's financial measures relevant to its business and financial situation and has exercised good judgment in managing the financial affairs and budgets of the organisation. He has effectively monitored and evaluated financial planning, budget and administrative operations.

(2) Past Remuneration:

A sum of Rs.1,06,54,122/- was paid to Mr. Kejriwal (including contribution to Provident Fund, Gratuity and encashment of leave), being the remuneration and approved perquisites for the Financial Year 2017-18.

(3) Recognition or awards:

He is a Member of the Executive Committee of the Indian Chamber of Commerce.

(4) Job profile and his suitability:

Mr. Kejriwal oversees all financial affairs and commercial issues pertaining to the business of the Company. His deep knowledge and expertise in financial matters and operations will help the Company to achieve its desired growth.

(5) Remuneration proposed:

As detailed in the resolution forming part of the Notice.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

As regards the comparative remuneration profile with respect to industry, size of the Company, profile of the person and position, the remuneration payable to Mr. Uddhav Kejriwal which is proposed for your approval is at comparable level within the industry standards. The Company has its own distinctive remuneration policy based on its short-term and long-term objectives and role perceived and played by employees at all levels. Considering his rich experience, competence and the growth and development of the Company during his association, the terms of his remuneration are considered fair, just and reasonable.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:

Besides remuneration proposed, Mr. Uddhav Kejriwal has no pecuniary relationship with the Company. Mr. Uddhav Kejriwal is the son of Mr. Mayank Kejriwal, Joint Managing Director of the Company. Apart from this, Mr. Kejriwal is not related to any other Director/Key Managerial Personnel of the Company.

**(III) Other Information:**

1. Reasons for loss or inadequate profits:

Although the Company has been reporting profits till Financial Year 2017-18 but increasing prices of raw materials such as coking coal, Iron Ore, Zinc etc. are increasing the cost of production whereas the sales are at agreed prices. Further the increase in finance cost and long working capital cycle of the Company may result in inadequacy of profit to pay Managerial Remuneration.

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

The Company has initiated several measures towards achieving organisational and operating efficiencies and strengthening core competencies, alongside working on improvements in processes and controls inter alia:

- The Company is taking various measures for raw material availability and reduce its input raw material cost including specific consumption per unit of product.
- The Company has also adopted various measures for cutting production cost & administrative expenses, improving operating and energy efficiencies and increasing overall productivity.

The Company is also putting in efforts for booking sales at higher realisation prices, inventory planning, reducing costs and increasing profit as a whole.

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

Although it is not possible at this stage to quantify the increase in productivity and profits, a reasonable improvement in demand for the Company's products is expected during the Financial Year 2018-19 subject to improvement in business situation and other external factors. The management continues to be cautiously optimistic towards the external economic environment and expects consumer demand to become more consistent. Production will be at same level, however sales prices are expected to increase as cost of raw material is increasing. The Company expects higher turnover on the Smart City Projects. Increase in turnover will result in improved margin leading to improvement in profitability.

Though the pipe industry is following a downturn, in anticipation of revival of the market in the near future, the above steps taken/proposed to be taken by the Company are expected to increase the productivity and profits of the Company.

**(IV) DISCLOSURES**

All elements of remuneration package is forming part of the resolution. The Company shall make appropriate disclosures as required under Schedule V of the Act in the Corporate Governance Report for the Financial Year 2017-18.

The disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided at Annexure A of this Notice. A copy of the letter of appointment setting out the terms and conditions of appointment of Mr. Uddhav Kejriwal is available for inspection by the Members at the Company's registered office during business hours on working days up to the date of the EGM.

The Board recommends the Resolution set out at Item No. 2 of the Notice for approval of the Members of the Company.

Save and except Mr. Uddhav Kejriwal, being the appointee, Mr. Mayank Kejriwal, Joint Managing Director, relative of Mr. Uddhav Kejriwal, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution at Item No. 2 of the Notice.

By order of the Board of Directors  
**For Electrosteel Castings Limited**

12 July 2018  
Kolkata

**Subhra Giri Patnaik**  
Company Secretary

## Annexure – A

The relevant details of Directors seeking re-appointment as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2) are given below:

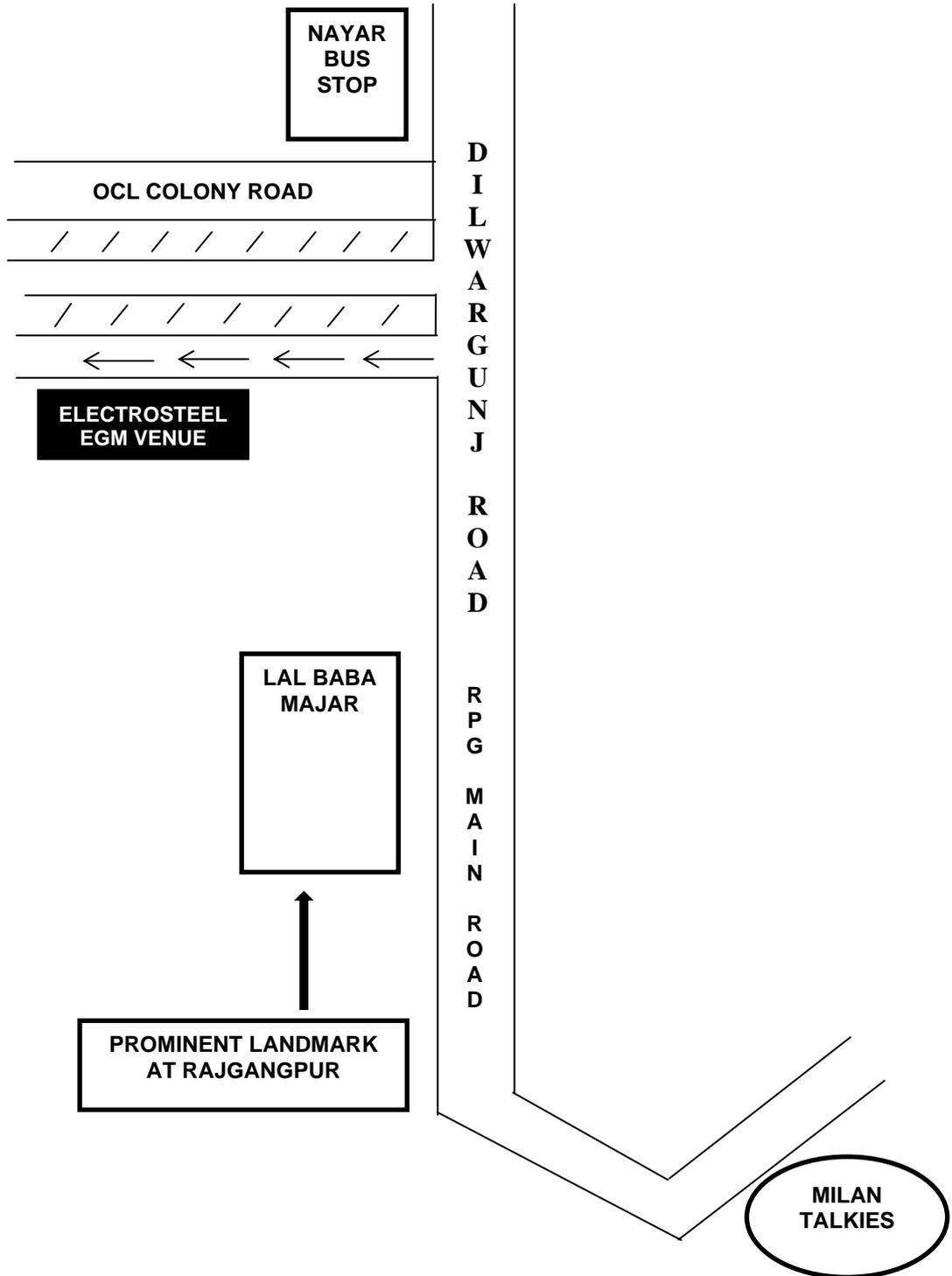
Sl. No.	Particulars	Mr. Uddhav Kejriwal (DIN: 00066077)
1.	Date of Birth (Age)	10 August 1978 (39 Years)
2.	Date of Appointment	16 June 2003
3.	Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person.	The terms and conditions of re-appointment and the details of remuneration are forming part of the resolution mentioned in the notice. The last drawn remuneration is forming part of the explanatory statement.
4.	The number of Meetings of the Board attended during the year	Mr. Uddhav Kejriwal has attended all the 4 (four) Board meetings held during the Financial Year 2017-18.
5.	Brief Resume including qualification	Mr. Uddhav Kejriwal is a Commerce Graduate from Calcutta University. After joining in 2003, he has made a major contribution for the creation of the Company's Haldia facility having 2.95 Lakhs TPA coke making capacity, 60,000 MT sponge Iron capacity and 12 MW Power Plant. He oversees all financial affairs and commercial issues pertaining to the business of the Company. His deep knowledge and expertise in the financial matters will help the Company to achieve its desired growth.
6.	Nature of Expertise in specific functional area	He has expertise in matters relating to the financial affairs and commercial issues pertaining to the business of the Company.
7.	Relationship with other Directors / Key Managerial Personnel	Mr. Mayank Kejriwal is the father of Mr. Uddhav Kejriwal. Apart from this, Mr. Kejriwal is not related to any other Director/Key Managerial Personnel of the Company.
8.	Names of listed entities in which the person also holds the directorship and the membership of Committees of the Board (includes only Audit Committee and Stakeholders' Relationship Committee)	He does not hold any Directorships or membership of any Committee in any other Company.
9.	Number of shares held in the Company	He holds 32,29,540 Equity Shares of Re.1/- each for himself but he does not holds any equity share in the Company on a beneficial basis for any other persons.

By order of the Board of Directors  
**For Electrosteel Castings Limited**

12 July 2018  
Kolkata

**Subhra Giri Patnaik**  
Company Secretary

# ROUTE MAP TO THE VENUE OF THE EGM







## ELECTROSTEEL CASTINGS LIMITED

Form No. MGT – 11

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014]

CIN : L27310OR1955PLC000310  
Name of the Company : **ELECTROSTEEL CASTINGS LIMITED**  
Registered Office : Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017, India  
Name of the Member(s) :  
  
Registered Address :  
  
E-mail Id :  
Folio No./Client ID :  
DP ID :

I/We, being the member(s) of \_\_\_\_\_ Shares of the above named Company, hereby appoint:

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her
3. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra-ordinary General Meeting of the Company, to be held on Saturday, 11 August 2018 at 11.30 a.m. at the Registered Office of the Company situated at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars
<b>Special Business</b>	
1.	Issue of Equity Shares on Preferential Basis
2.	Re-appointment of Mr. Uddhav Kejriwal (DIN: 00066077) as the Whole-time Director of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Re. 1

**Note:**

1. The Shareholder may vote either for or against each resolution.
2. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



## ELECTROSTEEL CASTINGS LIMITED

CIN: L27310OR1955PLC000310

**Registered Office:** Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017, India

**Tel:** +91 06624 220 332; **Fax:** +91 06624 220 332

**Corporate Office:** G. K. Tower, 19 Camac Street, Kolkata 700 017, India

**Tel:** +91 033 2283 9990; **Fax:** +91 033 2289 4339

**Website:** www.electrosteelcastings.com; **E-Mail:** companysecretary@electrosteel.com

### ATTENDANCE SLIP

Serial No.:

Registered Folio No./ DP Id/ Client Id	
Name and address of the Member(s)	
Joint Holder(s), if any	
No. of shares held	

I/We hereby record my/our presence at the Extra-ordinary General Meeting of Electrosteel Castings Limited being held at Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017 on Saturday, 11 August 2018 at 11.30 a.m.

\_\_\_\_\_  
**Name of the Member/Proxy\* in block letters**

\_\_\_\_\_  
**Signature of the Member/Proxy\***

\*Strike out whichever is not applicable

ELECTRONIC VOTING PARTICULARS		
EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN

Note:

1. Please handover duly filled up and signed Attendance Slip at the entrance of Meeting venue.
2. The remote e-voting period commences on 8 August 2018 (9:00 a.m) and ends on 10 August 2018 (5:00 p.m). Please read the e-voting instructions in the Notice carefully before exercising your vote.