

ELECTROSTEEL CASTINGS LIMITED

Registered Office : Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha - 770 017

Corporate Office:- G K Tower, 19, Camac Street, Kolkata -700 017

CIN : L27310OR1955PLC000310; **website:** www.electrosteel.com

Phone: 033-71034557; **Fax:** 033-22894339

NOTICE

Notice is hereby given that an Extra Ordinary General Meeting (EOGM) of the Shareholders of the Company will be held at the Registered Office of the Company at Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha 770 017 on **Monday, the 12th day of May, 2014** at 11:30 a.m. to transact the following Special Business:

Special Business:

Issue of fresh Equity Shares of the Company on Preferential Basis to the Promoter Companies 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** pursuant to the provisions of Sections 42 and 62 of the Companies Act, 2013 read together with relevant Rules thereunder and other applicable provisions, if any, of the said Act, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 [“SEBI (ICDR) Regulations”] and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to the terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee of the Board to exercise the powers including the powers conferred by this Resolution) and also further subject to such approval, permission, sanction of appropriate authorities, as may be required, consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot 1,31,38,000 Equity Shares of face value of Re. 1/- each fully paid up at a price of Rs.19.03 per Equity share (inclusive of a Share premium of Rs.18.03 per Equity Share) determined in accordance with SEBI (ICDR) Regulations to the Promoter Companies, as mentioned below on preferential allotment basis in accordance with all applicable laws, rules and regulations for the time being in force in this behalf:

Name of the proposed allottees	Status	No. of Equity Shares proposed to be allotted	Amount to be invested by each allottee (Rs.)
G.K & Sons Private Limited	Promoter Company	65,69,000	12,50,08,070
Electrocast Sales India Limited	Promoter Company	65,69,000	12,50,08,070
Total		1,31,38,000	25,00,16,140

RESOLVED FURTHER THAT the “Relevant date” for determining the price of the Equity Shares in accordance the SEBI (ICDR) Regulations shall be Friday, 11th April, 2014, being thirty

days prior to the date of this Extraordinary General Meeting of the shareholders of the Company for considering the proposed preferential issue i.e. Monday, 12th May, 2014.

RESOLVED FURTHER THAT the entire consideration be received by the Company from the proposed allottees as advance subscription money at the time of application

RESOLVED FURTHER THAT Equity Shares to be issued and allotted shall rank pari passu with the existing Equity Shares of the Company

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the abovementioned Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, as per the terms and conditions of the Listing Agreement and other applicable Guidelines, Rules and Regulations.

RESOLVED FURTHER THAT pursuant to Section 52 of the Companies Act, 2013, the premium (Rs.18.03 per Equity share) to be received on the issue and allotment of 1,31,38,000 Equity Shares of the Company aforesaid be transferred to the “Securities Premium Account” of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all documents as may be necessary in this regard and to delegate all or any of the powers herein conferred, to any Committee or any one or more Directors or the Company Secretary of the Company.”

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

**Sd/-
Kavita Bhavsar
Company Secretary**

Date: 11th April, 2014
Place: Kolkata

NOTES:

- (a) The relevant Explanatory Statement and reasons in respect of proposed Special Resolution pursuant to Section 102(1) of the Companies Act, 2013 are annexed hereto.
- (b) **EVERY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE PROXY FORMS SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
- (c) Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

- (d) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on any working day till the date of EOGM.
- (e) The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners.
- (f) **e-voting:**

In compliance with Section 108 of the Companies Act, 2013 and relevant rules thereunder, the Company is also required to conduct the voting process electronically. *The business to be transacted at the EOGM may be transacted through electronic voting system and the Company is providing the facility for voting by electronic means.*

Process for e-voting:

The Company has signed an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Shareholders to cast their vote electronically.

1. Launch internet browser by typing the following URL: <http://www.evotingindia.com>.
2. Click on Shareholders tab and select the relevant Electronic Voting Sequence Number – “EVSN” along with “Electrosteel Castings Limited” from the drop down menu and click on “SUBMIT” for voting.
3. The shareholders then have to fill up the following details in the appropriate boxes:

User-ID	For shareholders holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Shareholders holding shares in Physical Form:- • Folio Number registered with the Company
Password*	Your Unique password is attached .
PAN**	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department

* If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing user id and password is to be used.

** Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use Default Character. After entering these details appropriately, click on “SUBMIT”.

4. Members holding shares in Physical Form would have to use the User ID, Password and PAN to vote on resolutions for a particular EVSN only and would be taken directly to the voting screen.
5. After logging in, demat security holders will have to mandatorily change their password. The new password has to be minimum eight characters consisting of at least one upper

case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. This password can be used by demat security holders for all future voting on resolutions of companies in which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. Physical shareholders will be provided with a fresh password for every e-voting.

6. 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 communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
 7. Now you are ready for e-voting as Cast Vote page opens.
 8. On the voting page, you will see Resolution Description with the options of 'YES/NO' for voting for each of the resolution. Enter the number of shares (which represents number of votes) under YES/NO. The total number of votes in YES and NO taken together should not exceed the total shareholding.
 9. Security holders can also view the e-voting Notice and Resolution details by clicking on the Resolution File Link.
 10. Cast your vote by selecting appropriate and click on "SUBMIT" and also "CONFIRM" when prompted.
 11. Once you have voted on the resolution, you will not be allowed to modify your vote.
 12. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at kavita.bhavsar@electrosteel.com or payal.bhimrajka@electrosteel.com with a copy marked to helpdesk.evoting@cdslindia.com, without which the vote shall not be treated as valid.
 13. In case you have any queries or issues regarding e-voting, please contact the Company or Registrar & Share Transfer Agent or send mail to helpdesk.evoting@cdslindia.com or kavita.bhavsar@electrosteel.com or payal.bhimrajka@electrosteel.com
- (g) Voting, can be exercised only by the shareholder or his/her duly constituted attorney or, in case of bodies corporate, the duly authorized person.
- (h) A member need not use all his/her votes.
- (i) E-voting period will commence from Monday, 5th May, 2014 at 10:00 a.m., and will end on Wednesday, 7th May, 2014 at 6:00 p.m.
- (j) The result of voting will be announced at the Registered Office of the Company situated at Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha-770 017, by the Chairman of the Meeting at the EOGM to be held on Monday, 12th May, 2014. The result of the voting will be communicated to the stock exchanges and will also be hosted on the website of the Company www.electrosteel.com.

EXPLANATORY STATEMENT
(Pursuant to Section 102 (1) of the Companies Act, 2013)

Over the years, the magnitude of operations of the Company has substantially increased and with it the requirement of funds has also increased manifold. To meet its fund requirements, the Company has, from time to time, borrowed funds from financial institutions, banks, etc. However, the Board of Directors suggests that the further requirements of the funds be arranged by issue of further Equity Shares of the Company to the Promoter Companies. Therefore, it is proposed to issue 1,31,38,000 Equity Shares of Re. 1/- each to Promoter Companies as mentioned in the Resolution at a price of Rs.19.03 per Equity Share (inclusive of a Share premium of Rs.18.03 per Equity Share) in such manner and on such terms and conditions as prescribed under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 [“SEBI (ICDR) Regulations”] on Preferential basis in accordance with the Sections 42 and 62 and other applicable sections of the Companies Act, 2013 and such Rules as may be applicable. The Issue price of Equity Shares is determined in accordance with these Regulations.

The details of the proposed allottees are as below:

Name of the proposed allottees	Status	No. of Equity Shares proposed to be allotted	Amount to be invested by each allottee (Rs.)
G.K & Sons Private Limited	Promoter Company	65,69,000	12,50,08,070
Electrocast Sales India Limited	Promoter company	65,69,000	12,50,08,070
Total		1,31,38,000	25,00,16,140

The details of the issue and other particulars as required in terms of the SEBI (ICDR) Regulations as amended from time to time are mentioned herein below:

a. The object of the preferential issue:

The object of the issue is to augment the working capital requirement of the Company and for general corporate use for Company's growth.

b. Intention of Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the proposed preferential offer:

G.K & Sons Private Limited and Electrocast Sales India Limited are Promoter Companies and intend to subscribe the preferential issue of 1,31,38,000 Equity Shares.

No shares are being offered to Directors or Key Managerial Personnel or relatives of the Directors or Key Managerial Personnel of the Company.

c. The Shareholding Pattern of the Company before and after the proposed preferential issue:

The Shareholding Pattern of the Company before and after the issue of above Equity Shares on preferential basis as per the provisions of SEBI (ICDR) Regulations is based on the shareholding as

on 4th April, 2014, being the latest practicable date on which the data was available prior to the approval and issuance of the notice to the shareholders has been provided hereunder:

Sl. No. (a)	Category (b)	Pre Issue		Post Issue	
		No. of Equity Shares held (c)	% of Shareholding (d)	No. of Equity Shares held (e)	% of Shareholding (f)
A.	Promoters' Holding:				
1	Indian:				
	Individual	40945003	11.91	40945003	11.47
	Bodies Corporate	135136369	39.30	148274369	41.54
	Sub Total	176081372	51.21	189219372	53.01
2	Foreign Promoters	Nil	Nil	Nil	Nil
	Sub Total (A)	176081372	51.21	189219372	53.01
B.	Non-Promoters' holding:				
1	Institutional Investors	42747717	12.43	42747717	11.98
2	Non-Institution:				
	Private Corporate Bodies	23417802	6.81	23417802	6.56
	Directors and Relatives	78250	0.02	78250	0.02
	Indian Public	68655276	19.97	68655276	19.23
	Others (Including NRIs)	32836905	9.55	32836905	9.20
	Sub Total (B)	167735950	48.79	167735950	46.99
	Grand Total (A+B)	343817322	100.00	356955322	100.00

The table shows the expected shareholding pattern of the Company upon consummation of the allotment and assumes that holding of all other shareholders shall remain the same post issue as they were on the date on which the pre issue shareholding pattern was prepared.

The Company will ensure compliance with all applicable laws and regulations including the SEBI (ICDR) Regulations at the time of allotment of Equity Shares on Preferential Basis to the Promoter Companies of the Company.

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

The allotment pursuant to the Special Resolution shall be completed within a period of 15 days from the date of passing of this Resolution, provided that, if any approval or permission as required by any regulatory authority for allotment is pending, the period of 15 days shall be counted from the date of such approval or permission, as the case may be.

e. The identity of the proposed allottees and in case of Corporate entities, the name of the natural persons who will be the ultimate beneficial owners of shares and all who control the proposed allottees and the percentage of post preferential issue capital that may be held by them and change in control, if any, in the Company consequent to the preferential issue:

Name of the proposed allottees	Status	Pre allotment holding	% of present Equity capital	No. of Equity Shares proposed to be allotted	Post Allotment holding	% of post issue Equity capital
G.K & Sons Private Limited	Promoter Company	3,01,62,833	8.77	65,69,000	3,67,31,833	10.29
Electrocast Sales India Limited	Promoter company	2,33,30,981	6.78	65,69,000	2,98,99,981	8.38
Total				1,31,38,000		

The proposed allottees are all corporate entities.

Mr. Ghanshyam Kejriwal and/or his immediate family members, comprising his wife, Mrs. Uma Kejriwal and his two sons, Mr.Umang Kejriwal and Mr.Mayank Kejriwal and their respective family members are the natural persons who ultimately control the proposed allottees.

There shall be no change in control of the Company consequent to the preferential issue.

f. Undertaking to re-compute the price, if required:

The Company hereby undertakes that it shall re-compute the price of the Equity Shares in terms of the provisions of the SEBI (ICDR) Regulations, in case it is required to do so.

g. Undertaking to put Equity Shares under lock-in till the re-computed price is paid:

The Company undertakes that if the amount payable on re-computation of the price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the Equity Shares shall continue to be locked-in till such time such amount is paid by the allottees.

h. Relevant Date:

The Relevant date for the purpose of calculation of price of the Equity Shares is 11th April, 2014, being 30 days prior to the date of EOGM to be held in terms of SEBI (ICDR) Regulations.

i. Pricing of Equity Shares:

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. 19.03 per Equity Share (i.e. face value of Re. 1/- each and premium of Rs.18.03 per Equity Share).

j. Basis of valuation of shares:

The Company is a listed company, hence the price of Equity share has been calculated in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations and hence the price of the Equity share is not required to be determined by a registered valuer.

k. Earlier allotment on preferential basis:

For Financial Year 2014-15, the Company has not offered any Securities to any person on preferential basis except the one mentioned in this notice.

l. Lock-in period:

The aforesaid Equity Shares of the Company to be issued and allotted on preferential basis to the Promoter Companies of the Company shall be subject to lock-in from such date and such periods as specified under the SEBI (ICDR) Regulations.

m. Scrutinizer

The Board of Directors of the Company at their meeting held on 11th April, 2014 has appointed Mr. Sushil Chhawchharia, a Practising Chartered Accountant, as Scrutinizer for conducting the e-voting process in accordance with law. The Scrutinizer's decision on the validity of e-voting shall be final.

n. Certificate from Statutory Auditors:

The Certificate from M/s. Lodha & Co., Chartered Accountants, Statutory Auditors of the Company, as required under Clause 73(2) of SEBI (ICDR) Regulations will be made available for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on any working day till the date of EOGM.

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

The Board of Directors recommends passing of the Special Resolution as set out in the Notice.

None of the Directors, Key Managerial personnel or relatives of Directors or Key Managerial personnel of the Company except Mr. Umang Kejriwal, Mr. Mayank Kejriwal and Mr. Uddhav Kejriwal, being the Promoter Directors of the Company and their relatives, is in any way concerned or interested in the said Resolution.

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

**Sd/-
Kavita Bhavsar
Company Secretary**

Date: 11th April, 2014
Place: Kolkata

ELECTROSTEEL CASTINGS LIMITED

Registered Office: Rathod Colony, P.O. Rajgangpur, District Sundergarh, Odisha – 770 017

CIN : L27310OR1955PLC000310; website: www.electrosteel.com

Phone: 033-71034557; Fax: 033-22894339

ATTENDANCE SLIP

Only Shareholders or the proxies will be allowed to attend the meeting

D.P. ID		L.F. No.	
Client ID		No. of Shares held	

I hereby record my presence at the Extra Ordinary General Meeting of Electrosteel Castings Limited being held at Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha – 770 017 on Monday, the 12th day of May, 2014 at 11:30 a.m.

Name of the Shareholder _____
(in capital letters)

Name of the Proxy _____
(in capital letters)

Signature

NOTE: Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

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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, P. O. Rajgangpur, District Sundergarh, Odisha - 770 017**

Name of member (s):
Registered Address:
E-mail Id:
Folio No/Client ID:
DP ID:

I/We, being the member(s) of _____ Shares of **Electrosteel Castings Limited**, hereby
appoint

1. Name:

Address:

E-mail Id:

Signature: _____, or failing him

2. Name:

Address:

E-mail Id:

Signature: _____, or failing him

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 Extraordinary General Meeting of the Company, to be held on Monday, 12th day of May, 2014 at 11:30 a.m. at the Registered Office of the Company situated at Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha - 770 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1. _____

Signed this _____ day of _____ 2014

Affix Revenue Stamp

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Note: 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

Registered Office : Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha - 770 017

Corporate Office:- G K Tower, 19, Camac Street, Kolkata -700 017

CIN : L27310OR1955PLC000310; **website:** www.electrosteel.com

Phone: 033-71034557; **Fax:** 033-22894339

1. Name of the Registered Address of the sole/ first named Member:

2. Name(s) of the Joint Member(s), if any:

ELECTRONIC VOTING PARTICULARS		
EVSN (e-voting Sequence Number)	USER ID	PASSWORD/PIN

Default Character : (for Shareholders not having PAN)