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KALYANI STEELS LIMITED

Registered Office : Mundhwa, Pune 411 036



NOTICE

NOTICE is hereby given that the THIRTY-EIGHTH Annual General Meeting of the Members of Kalyani Steels Limited will be held at the Registered Office of the Company at Mundhwa, Pune - 411 036, on Friday, the 12th day of August, 2011, at 11.00 a.m. (I.S.T) to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended 31st March, 2011 and the Reports of the Directors and of the Auditors.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr.B.N. Kalyani, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.M.U. Takale, who retires by rotation, but being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT THE COMPANY'S AUDITORS, M/S DALAL & SHAH, CHARTERED ACCOUNTANTS, MUMBAI (FIRM REGISTRATION NO.102021W) BE AND ARE HEREBY RE-APPOINTED AS AUDITORS OF THE COMPANY TO HOLD OFFICE FROM THE CONCLUSION OF THIS MEETING UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY AND THAT THE BOARD OF DIRECTORS BE AND IS HEREBY AUTHORISED TO FIX THEIR REMUNERATION FOR THE SAID PERIOD."

SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT MR.R.K. GOYAL BE AND IS HEREBY APPOINTED AS A DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION."

7. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTIONS 198, 269, 309 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956, READ WITH SCHEDULE XIII TO THE SAID ACT AND SUBJECT TO THE APPROVALS, AS MAY BE NECESSARY, THE APPROVAL OF THE MEMBERS BE AND IS HEREBY ACCORDED TO THE APPOINTMENT OF MR.R.K. GOYAL, AS MANAGING DIRECTOR, OF THE COMPANY FOR A PERIOD OF FIVE YEARS FROM 17TH JANUARY, 2011 TO 16TH JANUARY, 2016 ON THE FOLLOWING TERMS OF REMUNERATION :

(I) SALARY :

- A) BASIC SALARY OF RS.800,000/- (RUPEES EIGHT HUNDRED THOUSAND ONLY) PER MONTH.
- B) SPECIAL ALLOWANCE OF RS.400,000/- (RUPEES FOUR HUNDRED THOUSAND ONLY) PER MONTH.
- C) ADDITIONAL SPECIAL ALLOWANCE OF RS.469,400/- (RUPEES FOUR HUNDRED SIXTY NINE THOUSAND FOUR HUNDRED ONLY) PER MONTH.

(II) PERQUISITES :

IN ADDITION TO SALARY PAYABLE, THE MANAGING DIRECTOR SHALL BE ENTITLED TO THE FOLLOWING PERQUISITES WHICH UNLESS THE CONTEXT OTHERWISE REQUIRES, ARE CLASSIFIED INTO THREE CATEGORIES 'A', 'B' AND 'C' AS FOLLOWS :

CATEGORY 'A'

THIS SHALL COMPRISE HOUSING, MEDICAL REIMBURSEMENT, LEAVE TRAVEL CONCESSION. THESE SHALL BE PROVIDED AS UNDER :

I) HOUSING :

- a) THE COMPANY SHALL PROVIDE

FURNISHED ACCOMMODATION TO THE MANAGING DIRECTOR AND HIS FAMILY.

- b) IN CASE NO ACCOMMODATION IS PROVIDED BY THE COMPANY, THE MANAGING DIRECTOR SHALL BE ENTITLED TO HOUSE RENT ALLOWANCE OF RS.244,000/- (RUPEES TWO HUNDRED FORTY FOUR THOUSAND ONLY) PER MONTH.

II) MEDICAL REIMBURSEMENT :

EXPENSES INCURRED FOR THE MANAGING DIRECTOR AND HIS FAMILY SUBJECT TO THE CEILING OF RS.1,250/- PER MONTH.

III) LEAVE TRAVEL CONCESSION :

FOR THE MANAGING DIRECTOR AND HIS FAMILY IN ACCORDANCE WITH THE RULES OF THE COMPANY.

EXPLANATION :

FOR THE PURPOSE OF CATEGORY 'A', 'FAMILY' MEANS THE SPOUSE, THE DEPENDENT CHILDREN AND DEPENDENT PARENTS OF THE MANAGING DIRECTOR.

CATEGORY 'B'

1. CONTRIBUTION TO PROVIDENT FUND, SUPERANNUATION FUND OR ANNUITY FUND WILL NOT BE INCLUDED IN THE COMPUTATION OF THE CEILINGS ON PERQUISITES TO THE EXTENT THESE EITHER SINGLY OR PUT TOGETHER ARE NOT TAXABLE UNDER THE INCOME TAX ACT, 1961.
2. GRATUITY TO BE PAID AS PER THE RULES OF THE COMPANY.
3. ENCASHMENT OF LEAVE AT THE END OF THE TENURE.
4. RETIREMENT AND OTHER BENEFITS AS PER THE RULES OF THE COMPANY.

CATEGORY 'C'

PROVISION OF CAR WITH DRIVER FOR USE ON COMPANY'S BUSINESS AND TELEPHONE AT RESIDENCE WILL NOT BE

CONSIDERED AS PERQUISITES. PERSONAL LONG DISTANCE CALLS ON TELEPHONE AND USE OF CAR FOR PRIVATE PURPOSE SHALL BE BILLED BY THE COMPANY TO THE MANAGING DIRECTOR.

- (III) SIGN ON BONUS OF RS.2,000,000/- (RUPEES TWO MILLION ONLY) ON JOINING OF THE COMPANY.

- (IV) VARIABLE COMPENSATION AS BONUS / COMMISSION AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF THE COMPANY.

NOTWITHSTANDING ANYTHING HEREIN, WHERE IN ANY FINANCIAL YEAR, DURING THE CURRENCY OF TENURE OF THE MANAGING DIRECTOR, THE COMPANY HAS NO PROFITS OR ITS PROFITS ARE INADEQUATE, THE COMPANY WILL PAY HIM REMUNERATION BY WAY OF SALARY AND PERQUISITES SPECIFIED ABOVE, AS MINIMUM REMUNERATION, SUBJECT TO OBTAINING OF APPROVAL OF THE CENTRAL GOVERNMENT AS PRESCRIBED UNDER SCHEDULE XIII, OF THE COMPANIES ACT, 1956.

By Order of the Board of Directors
for KALYANI STEELS LIMITED

Pune

25th May, 2011

MRS.D.R. PURANIK
COMPANY SECRETARY

NOTES :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under Item Nos. 6 and 7 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Members who hold shares in dematerialised form are requested to bring their DP ID AND CLIENT ID numbers for easy identification of attendance at the meeting.

4. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details etc. to their respective DPs and those holding shares in physical form are to intimate the abovesaid changes to the Registrar and Transfer Agent of the Company, at their address given below.
5. The Share Transfer Books and the Register of Members of the Company will remain closed from Saturday, 6th August, 2011 to Friday, 12th August, 2011 (both days inclusive).
6. If the dividend on Equity Shares as recommended by the Board of Directors is declared at the meeting, the payment of such dividend will be made on and from 22nd August, 2011 as under :
- a) To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as of the close of business hours on 5th August, 2011.
- b) To all members in respect of shares held in physical form, after giving effect to valid transfers in respect of transfer requests lodged with the Company or with Registrar and Transfer Agents of the Company, on or before the close of business hours on 5th August, 2011.
7. Those Members who have not encashed / received their Dividend Warrants for the Financial Years 2004-05 to 2007-08 and 2009-10 may approach the Registrar and Transfer Agent of the Company, at their address given below, for revalidation of the Dividend Warrants / for obtaining duplicate Dividend Warrants.
8. Dividends which remain unencashed / unclaimed over a period of 7 years will have to be transferred by the Company to Investor Education and Protection Fund (IEPF) constituted by the Central Government under Section 205A and 205C of the Companies Act, 1956. Further, under the amended provisions of Section 205B of the Companies Act, 1956, no claim by the shareholders shall lie for the unclaimed dividend transferred by the Company to IEPF.
9. Equity Shares of the Company are under compulsory demat trading by all investors. Those shareholders who have not dematerialised their shareholding, are advised to dematerialise the same to avoid inconvenience in future.
10. Disclosure of Shareholding of Directors recommended by the Board of Directors for Appointment / Re-appointment at the Annual General Meeting pursuant to Clause 49 of the Listing Agreement :

Sr. No.	Name of Director	No. of Shares held
1	Mr.B.N. Kalyani	1,118
2	Mr.M.U. Takale	2,500
3	Mr.R.K. Goyal	—

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the E-mail Address Registration Form forming part of this notice and submit the same to the Registrar and Transfer Agent of the Company, at their address given below.

Registrar & Transfer Agent
LINK INTIME INDIA PRIVATE LIMITED
 Block No.202, Akshay Complex, 2nd Floor,
 Off Dhole Patil Road, Near Ganesh Mandir, Pune - 411 001
 Phone Nos. : 020 - 26051629 / 26050084, Telefax : 26053503
 E-mail: pune@linkintime.co.in

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956

The following explanatory statement sets out, as required by Section 173 of the Companies Act, 1956, the material facts relating to Item Nos.6 and 7 mentioned in the accompanying notice dated 25th May, 2011

ITEM NO.6

Mr.R.K. Goyal was appointed as an Additional Director on the Board of Directors of the Company, with effect from 17th January, 2011, in exercise of the powers conferred to the directors under Article 148 of the Articles of Association of the Company. By virtue of the provisions of Section 260 of the Companies Act, 1956, Mr.R.K. Goyal, would be holding office as director only upto the date of this Annual General Meeting.

Notice in writing has been received from a member of the Company under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr.R.K. Goyal as candidate for the office of Director. The resolution for his appointment as a Director, liable to retire by rotation, is recommended for approval of the members.

Profile of Mr.R.K. Goyal, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is given in the report on Corporate Governance.

Mr.R.K. Goyal may be regarded as concerned with or interested in the resolution. No other Director of the Company is interested in the resolution.

ITEM NO.7

The Board of Directors at its meeting held on 17th January, 2011, appointed Mr.R.K. Goyal as Managing Director of the Company for the period of five years with effect from 17th January, 2011 to 16th January, 2016 upon the terms of remuneration as mentioned in the resolution.

Approval of the members is sought to the appointment and to the payment of remuneration to Mr.R.K. Goyal, as Managing Director, as detailed in the resolution, during the term of his appointment with the Company from 17th January, 2011 to 16th January, 2016. The Directors recommend the resolution for approval of the members.

Profile of Mr.R.K. Goyal, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is given in the report on Corporate Governance.

Mr.R.K. Goyal may be regarded as concerned with or interested in the resolution. No other Director of the Company is interested in the resolution.

By Order of the Board of Directors
for KALYANI STEELS LIMITED

Pune
25th May, 2011

MRS.D.R. PURANIK
COMPANY SECRETARY



KALYANI

KALYANI STEELS LIMITED

Registered Office : Mundhwa, Pune 411 036

KALYANI STEELS

ATTENDANCE SLIP

NAME OF MEMBER/PROXY	
DP ID & CLIENT ID*	
FOLIO NO.	
NO. OF SHARES HELD	

* Applicable if shares are held in dematerialised form.

I hereby record my presence at the Thirty-Eighth Annual General Meeting of the Company held at the Registered Office of the Company at Mundhwa, Pune 411 036, on Friday, the 12th day of August, 2011 at 11.00 a.m. (I.S.T.)

SIGNATURE OF THE ATTENDING MEMBER / PROXY

- Notes :
1. Member / Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.
 2. Member / Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

KALYANI STEELS LIMITED

Registered Office : Mundhwa, Pune 411 036

PROXY FORM

I / We _____
of _____
being a Member(s) of KALYANI STEELS LIMITED, Pune, hereby appoint _____
_____ of _____ or
failing him/her _____
of _____ as my/our proxy to attend and vote

for me / us on my / our behalf at the Thirty-Eighth Annual General Meeting of the Company to be held on Friday, the 12th day of August, 2011 at 11.00 a.m. (I.S.T.) and at any adjournment thereof.

Signed this _____ day of _____ 2011

DP ID & CLIENT ID*	
FOLIO NO.	
NO. OF SHARES HELD	

Please
Affix 15 Paise
Revenue
Stamp
here

* Applicable if shares are held in dematerialised form.

Signature(s) of Member(s) across the stamp

Note : The Proxy must be deposited with the Registered Office of the Company at Mundhwa, Pune 411 036, not less than 48 hours before the time fixed for holding the Meeting.

E-MAIL ADDRESS REGISTRATION FORM

(in terms of Circular Nos.17/2011 and 18/2011 dated 21-04-2011 and 29-04-2011 respectively issued by Ministry of Corporate Affairs)
(For Shares held in Physical Mode)

Link Intime India Private Limited
Unit : Kalyani Steels Limited
Block No.202, Akshay Complex,
2nd Floor, Off Dhole Patil Road,
Near Ganesh Mandir,
Pune - 411 001

I / we shareholder(s) of Kalyani Steels Limited hereby accord my / our approval to receive documents viz. Annual Reports, Notices of General Meetings / Postal Ballot, other documents etc. in Electronic Mode.

I / we request you to note my / our E-mail address, as mentioned below. If there is any change in the E-mail Address, I / We will promptly communicate the same to you.

Folio No.	:	
Name of the First / Sole Shareholder	:	
Name of the Joint Shareholder(s), if any	:	
Registered Address	:	
E-mail Address (to be registered)	:	

Place :

Date :

Signature of Shareholder(s)

Note : This form is available on Company's website www.kalyanisteels.com