



ELECTROSTEEL CASTINGS LIMITED

Registered Office : P.O. Rajgangpur, District Sundergarh, Odisha 770017

NOTICE

Notice is hereby given that an Extra Ordinary General Meeting 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 770017 on **Saturday, the 23rd day of November, 2013** 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 Promoters/Promoter Group 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 Section 81(1A) of the Companies Act, 1956 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, the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot 1,70,64,617 Equity Shares of the Company of Re. 1/- each fully paid up at a premium of Rs.12.85 per Equity Share (determined in accordance with SEBI (ICDR) Regulations to the Promoters/ Promoter Group Companies, as mentioned below, whether or not they are members of the Company, on preferential 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.)
Electrocast Sales India Ltd.	Promoter	63,99,231	8,86,29,349
G K & Sons Pvt. Ltd.	Promoter	63,99,231	8,86,29,349
Sri Gopal Investments Ventures Ltd.	Promoter Group Company	37,32,885	5,17,00,457
Quinline Dealcomm Pvt. Ltd.	Promoter Group Company	3,19,962	44,31,474
Ellenbarrie Developers Pvt. Ltd.	Promoter Group Company	2,13,308	29,54,316
Total		1,70,64,617	23,63,44,945

RESOLVED FURTHER THAT the “Relevant date” for determining the price of Equity Shares in accordance the SEBI (ICDR) Regulations shall be October 24, 2013, being thirty days prior to the date of the Extraordinary General Meeting of the shareholders of the Company for considering the proposed preferential issue i.e. November 23, 2013.

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 from the date of allotment, with the existing Equity Shares of the Company, in all respects including as to Dividends.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the abovementioned Equity Shares, as and when issued and allotted, 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 78 of the Companies Act, 1956, the premium received on the issue and allotment of 1,70,64,617 Equity Shares of the Company of Re.1/- each fully paid up be transferred to the Securities Premium Account of the Company.

RESOLVED FURTHER THAT the Board (term shall be deemed to include any committee of the Board to exercise the powers including the powers conferred by this Resolution) 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 one or more Directors of the Company.”

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

**sd/-
Kavita Bhavsar
Company Secretary**

Date : October 24, 2013

Place : Kolkata

NOTES:

- (a) The relevant detail in respect of proposed Special Resolution is given in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 as annexed hereto.
- (b) **EVERY SHAREHOLDER 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.

Explanatory Statement pursuant to Section 102 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 long term 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 Promoters/Promoter Group Companies. Therefore, it is proposed to issue 1,70,64,617 Equity shares of Re. 1/- each to Promoters/ Promoter Group Companies as mentioned in the Resolution at a premium of Rs.12.85 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 Section 81(1A) and other applicable sections of the Companies Act, 1956, and such other rules as may be applicable. The Issue price of Equity Shares is determined in accordance with these Regulations.

The detail 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.)
Electrocast Sales India Ltd.	Promoter	63,99,231	8,86,29,349
G K & Sons Pvt. Ltd.	Promoter	63,99,231	8,86,29,349
Sri Gopal Investments Ventures Ltd.	Promoter Group Company	37,32,885	5,17,00,457
Quinline Dealcomm Pvt. Ltd.	Promoter Group Company	3,19,962	44,31,474
Ellenbarrie Developers Pvt. Ltd.	Promoter Group Company	2,13,308	29,54,316
Total		1,70,64,617	23,63,44,945

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 preferential issue is to augment the long term resources of the Company for meeting the fund requirements of existing business and general corporate purposes for growth and expansion of the Company.

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

Electrocast Sales India Ltd., G K & Sons Pvt. Ltd., Sri Gopal Investments Ventures Ltd., Quinline Dealcomm Pvt. Ltd. and Ellenbarrie Developers Pvt. Ltd. are Promoters/Promoter Group Companies and intend to subscribe the preferential issue of 1,70,64,617 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 October 18, 2013 (Friday), 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.	Particulars	Pre Issue Equity Holding		Proposed Issue	Post Issue Equity Holding	
		No. of Equity Shares	%		No. of Equity Shares	No. of Equity Shares
A.	Promoters Holding:					
	Individuals	4,09,45,003	12.53	0	4,09,45,003	11.91
	Bodies Corporate	11,80,71,752	36.13	17,0,64,617	13,51,36,369	39.30
	Total Promoters Shareholding (A)	15,90,16,755	48.66	17,0,64,617	17,60,81,372	51.21
B.	Public Shareholding:					
	Financial Institutions/Banks/ Mutual Funds, FIs etc.	4,53,89,343	13.89	0	4,53,89,343	13.21
	Bodies Corporate	4,83,51,872	14.80	0	4,83,51,872	14.06
	Individuals	7,10,66,692	27.15	0	7,10,66,692	20.67
	Others	1,58,043	0.04	0	1,58,043	0.04
	GDRs	27,70,000	0.85	0	27,70,000	0.81
	Total Public Shareholding (B)	16,77,35,950	51.34	0	16,77,35,950	48.79
	Total (A+B)	32,67,52,705	100.00	17,0,64,617	34,38,17,322	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 Promoters/ Promoter Group Companies of the Company.

d. Proposed time within which the preferential issue shall be 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 controls 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
Electrocast Sales India Ltd	Promoter	1,69,31,750	5.18	63,99,231	2,33,30,981	6.78
G K & Sons Pvt. Ltd	Promoter	2,37,63,602	7.27	63,99,231	3,01,62,833	8.77
Sri Gopal Investments Ventures Ltd	Promoter Group Company	0	0	37,32,885	37,32,885	1.08
Quinline Dealcomm Pvt. Ltd	Promoter Group Company	0	0	3,19,962	3,19,962	0.09
Ellenbarrie Developers Pvt. Ltd.	Promoter Group Company	0	0	2,13,308	2,13,308	0.06
Total		4,06,95,352	12.45	1,70,64,617	5,77,59,969	16.79

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 October 24, 2013, being 30 days prior to the date of Extra Ordinary General Meeting 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.13.85 per Equity Share (i.e. face value of Re.1/- and premium of Rs. 12.85 per Equity Share).

j. Lock-in period:

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

k. 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 10 a.m. and 4 p.m. on any working day till the date of Extra Ordinary General Meeting.

In terms of provisions of Section 81(1A) of the Companies Act, 1956, 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 : October 24, 2013
Place : Kolkata



**ATTENDANCE SLIP
ELECTROSTEEL CASTINGS LIMITED**

Registered Office : Rathod Colony, P.O. Rajgangpur, District Sundergarh, Odisha - 770017

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, Rajgangpur, District Sundergarh, Odisha -770017 on Saturday, the 23rd day of November, 2013 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



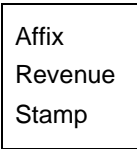
ELECTROSTEEL CASTINGS LIMITED

Registered Office : Rathod Colony, P.O. Rajgangpur, District Sundergarh, Odisha - 770017

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

I/We.....of.....
..... being a member/members of Electrosteel Castings Limited hereby appoint
Mr./Mrs..... of or failing him/her
Mr./Mrs..... of..... or failing him/her Mr./Mrs.
..... of.....as my/our proxy to attend and vote for
me/us on my/our behalf at the Extra Ordinary General Meeting of Electrosteel Castings Limited being held on
Saturday, the 23rd day of November, 2013 at 11.30 A.M.at Registered Office of the Company at Rathod Colony,
Rajgangpur, District Sundergarh, Odisha -770017 and/or at any adjournments thereof.

(Signature of the proxy)



(Signature of the shareholder)

Signed this day of 2013

NOTE : The Proxy Form signed across revenue stamp should reach the Registered Office of the Company at least 48 hours before the scheduled time of Meeting.