



ELECTROSTEEL CASTINGS LIMITED

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

Corporate Office: 19, Camac Street, Kolkata 700017

POSTAL BALLOT NOTICE

[Pursuant to Section 192A of the Companies Act, 1956
read with The Companies (Passing of the Resolution by Postal Ballot) Rules, 2011]

Dear Member(s),

NOTICE is hereby given pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, for obtaining the consent of the Members of Electrosteel Castings Limited for the proposed Special Resolution as set out below, through Postal Ballot. The Explanatory Statement stating all material facts and the reasons for the Resolution is also appended hereto for your consideration.

Special Business:

Consolidation of limits under Section 372A of the Companies Act, 1956 in relation to giving of Loans, issuing of Guarantees/ providing Securities, Investing in Securities of other bodies Corporate:

To consider and if thought fit, to give Assent/Dissent to the following Resolution as a Special Resolution through Postal Ballot under the provisions of Section 372A of the Companies Act, 1956 :

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as “the Act”) or any amendment or re-enactment thereof and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to :

- (a)** make any loan(s), give any guarantee(s) and/or provide any security(ies) including by way of pledge of any securities of Electrosteel Steels Limited (ESL) held by the Company or by way of mortgage or charge over any immovable assets of the Company in connection with loan(s) made by any person to ESL or acquire by way of subscription, purchase or otherwise the securities of ESL collectively aggregating up to a limit not exceeding Rs.3,500 crores; and
- (b)** make any loan(s) to any body Corporate and/or give any guarantee(s) and/or provide any security(ies) in connection with any loan(s) made by any other person to, or to any other person, by any body corporate and/or acquire by way of subscription, purchase or otherwise the securities of any body corporate, collectively aggregating up to a limit not exceeding Rs. 600 crores, over and above the limit of Rs.3500 crores stated for ESL as mentioned above;

Notwithstanding that the aggregate of all loans and investments so far made and to be made and the amount of guarantees or securities so far provided and to be provided by the Company collectively exceeds the limits prescribed under Section 372A of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining all required consents, permissions and approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all agreements, deeds, applications, documents and writings that may be required in this connection, for and on behalf of the Company and also to delegate all or any of the above powers to any Committee of Directors or any Director of the Company and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

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

**Sd/-
Kavita Bhavsar
Company Secretary**

Date: 24th October, 2013
Place: Kolkata

NOTES:

1. In terms of Section 192A of the Companies Act, 1956, read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the business set out in the Notice above are required to be passed through Postal Ballot. An Explanatory Statement as required under Section 102 of the Companies Act, 2013 and Section 192A of the Companies Act, 1956 in respect of the Special Business specified above is annexed hereto.
2. Only a member entitled to vote is entitled to fill in the Postal Ballot Form and send it to the Scrutinizer and any recipient of this Notice who has no voting rights should treat the Notice as intimation only. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
3. The Board of Directors has appointed Mr. Sushil Kumar Chhawchharia, a practicing Chartered Accountant, as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
4. The shareholders are requested to carefully read the instructions printed on the attached Postal Ballot Form. The Postal Ballot Form, duly completed and signed, should be returned in the enclosed self-addressed, postage prepaid envelope directly to the Scrutinizer so as to reach the Scrutinizer at G. K. Towers, 19, Camac Street, Kolkata 700017 before the close of working hours (1700 hours) on or before 29th November, 2013. All the Postal Ballot Forms received after this date will be strictly treated as if reply from such shareholder has not been received.
5. The Scrutinizer will submit his Report to the Chairman or Managing Director or Company Secretary of the Company after completion of the scrutiny of the Postal Ballot Forms and the results of the Postal Ballot will be announced on 6th December, 2013 by the Chairman or Managing Director or any other Director or Company Secretary of the Company, duly authorised by the Board of Directors at the Corporate Office of the Company at 19, Camac Street, Kolkata 700017.

6. The result will also be displayed at the Registered Office as well as the Corporate Office of the Company and on the website of the Company www.electrosteel.com and will be sent to the Stock Exchanges where the Equity Shares of the Company are listed. The results will also be published in the newspapers.
7. The Special Resolution, if assented to by requisite majority, shall be taken as passed on 6th December, 2013.

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

The Company had earlier taken the approval of shareholders through Postal Ballot to invest in and acquire securities of Electrosteel Steels Limited (ESL), an associate company, upto Rs.1,000 crores and to provide guarantees/securities including by way of pledge of Equity Shares of ESL held by the Company, in connection with any loan taken by ESL to the extent of Rs.2,500 crores and also to make investments in securities of bodies corporate other than ESL and/or to give loans and/or to provide guarantees/securities in connection with loan taken by any person from or given to any person by any other person aggregating up to Rs.600 crores, over and above the aforesaid investments, guarantees and securities to ESL, notwithstanding that all such investments made or to be made and loans given or to be given and guarantees/securities provided or to be provided may collectively exceed the limits prescribed under Section 372A of the Companies Act, 1956.

ESL had applied for Corporate Debt Restructuring (CDR) and in terms of CDR scheme finalized by the CDR cell, the Company is required to provide financial assistance of Rs.217.59 crores to ESL. The Company will give financial assistance by way of Loan or by subscribing to the Equity Shares or other instruments of ESL within the overall limit of Rs.3500 crores as may be decided by the Board from time to time. For this purpose, it was proposed by the Board of Directors at their meeting held on 24th October, 2013 that various sub limits within the total overall limit of Rs.3500 crores as approved by the shareholders through Postal Ballot, result of which was declared on 9th July, 2012 pursuant to Section 372A of the Companies Act, 1956 in relation to ESL be consolidated as follows:

Name of the Company	a) Giving of Loan or b) Giving of Guarantees/ Providing Securities or c) Investment in securities all together not exceeding
(1)	(2)
Electrosteel Steels Limited	Rs. 3500 crores
Other Bodies Corporate over and above limits of Rs. 3500 crores as set for ESL	Rs. 600 Crores

As per Section 372A of the Companies Act, 1956, a company cannot make investment, give loan or guarantee or provide any security in excess of the limits set out therein unless it is previously authorized by a Special Resolution passed by the Shareholders of the Company. Hence, it is necessary to obtain approval for the same from the Shareholders by passing a Special Resolution. The funds required for the investment will be sourced through internal accruals, equity proceeds and/or other borrowings by the Company.

Your approval is sought by voting through Postal Ballot in terms of the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of Resolution by Postal Ballot) Rules, 2011.

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 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 : 24th October, 2013
Place : Kolkata

Encl : Postage Pre-paid Envelope



ELECTROSTEEL CASTINGS LIMITED

Registered Office: Rathod Colony, P.O. Rajgangpur, District: Sundergarh, Odisha - 770 017
Corporate Office: 19, Camac Street, Kolkata 700017

POSTAL BALLOT FORM

Postal Ballot Form No: 00000

- Name and Registered Address of Sole/First named shareholder** :
- Name(s) of the Joint Holders, if any** :
- Ledger Folio/DP ID & Client ID No.** :
- Number of Shares held** :
- I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Notice dated 24th October, 2013 of the Company by sending my/our assent or dissent to the said Resolution by placing the tick mark(✓) at the appropriate column below:

Description	No. of Equity Shares held	Please (✓) in the appropriate box below	
		I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Special Resolution under Section 372A of the Companies Act, 1956 for revision in limits of Investment / Loans / Corporate Guarantees / Securities to be provided by the Company to other bodies corporate.			

Place:

Date:

Signature of Shareholder

Notes:

- Last date for receipt of Postal Ballot Form by Scrutinizer is 29th November, 2013.
- Please read the instructions printed overleaf carefully before completing this form.

INSTRUCTIONS

1. Only a member entitled to vote is entitled to fill in the Postal Ballot Form and send it to the Scrutinizer and any recipient of this Notice who has no voting rights should treat the Notice as intimation only.
2. Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the member as on 25th October, 2013.
3. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed postage pre-paid self-addressed envelope. However, envelopes containing Postal Ballots, if sent by courier at the expense of the Registered Shareholder, will also be accepted till 29th November, 2013.
4. The self-addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company.
5. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his/her absence by the next named shareholder.
6. The consent must be accorded by recording the assent in the column 'FOR' and dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column.
7. A shareholder may request for a duplicate Ballot Form, if so required. All such requests should be addressed to the Company Secretary at her email id: kavita.bhavsar@electrosteel.com
8. Unsigned Postal Ballot Forms will be rejected.
9. Duly completed Postal Ballot Forms should reach the Scrutinizer at 19, Camac Street, Kolkata 700017 not later than the close of working hours (17.00 hours) of 29th November, 2013. All Postal Ballot Forms received after this date will be treated as if reply from such shareholder has not been received.
10. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/Authority.
11. Members are requested not to send any other paper/document alongwith the Postal Ballot Form in the enclosed postage pre-paid self addressed envelope.
12. Voting Rights shall be reckoned on the paid-up value of shares registered in the name of the shareholders on the date of despatch of the notice.
13. A shareholder need not use all his votes, nor does he need to cast all his votes, in the same way.