



**ELECTROSTEEL CASTINGS LIMITED**

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

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

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

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

**NOTICE OF POSTAL BALLOT**

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, ("the Act") read with Rule 22 of Companies (Management and Administration) Rules, 2014, the following special businesses be transacted by the Members of Electrosteel Castings Limited by passing the Resolutions through Postal Ballot. The Company is offering e-voting facility also to all the Shareholders of the Company.

**SPECIAL BUSINESS:**

**1. Approval for borrowing upto Rs. 2,500 Crore under section 180(1)(c) of the Companies Act, 2013**

*To consider and if thought fit, to give assent/dissent to the following Resolution as a **Special Resolution**:*

**"RESOLVED THAT** in supersession of the earlier resolutions passed by the Company, the consent of the Company be and is hereby accorded under Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), for borrowing from time to time any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time may exceed Rs. 2,500 Crores (Rupees Two Thousand Five Hundred Crore Only).

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby empowered and authorized to arrange and fix the terms and conditions of all such monies to be borrowed from time to time, to sign and execute such debenture/security deeds, deeds of mortgage, charge, pledge, hypothecation and such others papers, deeds and documents as they may, in their absolute discretion, deem fit and proper."

**2. Approval for creation of Charge under Section 180(1)(a) of the Companies Act, 2013**

*To consider and if thought fit, to give assent/ dissent to the following Resolution as a **Special Resolution**:*

**"RESOLVED THAT** in supersession of the earlier resolutions passed by the Company, the consent of the members of the Company be and is hereby granted pursuant to Section 180(1)(a) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors (hereinafter 'the Board' which term shall be deemed to include any Committee of the Board) to create mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immoveable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company, for securing the borrowings availed/ to be availed by the Company and/or any of the Company's/subsidiary/affiliate/associate company, by way of loan(s) (in foreign currency and/or Rupee currency) and Securities (comprising of Fully/Partly Convertible Debentures and/or Non-Convertible Debentures with or without detachable or non-detachable Warrants and/or Secured Premium Notes and/or Floating Rates Notes/Bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits of upto Rs. 4,500 Crores (Rupees Four Thousand Five Hundred Crores only) together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/Trustees premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of Loan Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s) / Trustee(s) / Agent(s), in respect of the said loans/borrowings/ Debentures and containing such specific terms and

conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee and the Lender(s) / Trustee(s) / Agent(s).

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors and/or its duly constituted committee be and are hereby authorised to finalise, settle and execute such documents/ deeds/writings/papers/ agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

**3. Consideration and approval of Limits set under Section 186 of the Companies Act, 2013**

*To consider and if thought fit, to give assent/ dissent to following Resolution as a **Special Resolution**:*

"**RESOLVED THAT** in supersession of all earlier Resolutions passed by the Company, more particularly on October 24, 2013, in relation to giving of any loan, providing any guarantee or security in connection with a loan or acquisition of securities, the limits under Section 186 of the Companies Act, 2013 be set as follows notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013:

To	a) Giving of Loan b) Giving of Guarantees / Providing Security in connection with a loan c) Investment in securities – all together not exceeding
(1)	(2)
Electrosteel Steels Limited ("ESL")	Rs.3,500 Crore
Any other person / Other Bodies Corporate over and above limits of Rs. 3,500 Crore as set for ESL	Rs.600 Crore

**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 of Directors  
For Electrosteel Castings Limited**

**Sd/-  
Kavita Bhavsar  
Company Secretary**

May 10, 2014  
Kolkata

**NOTES:**

1. Explanatory statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013, in respect of the business set out above is annexed hereto.
2. The Notice is being sent to all the members whose name appear in the Register of Members/List of Beneficial Owners as on July 11, 2014.
3. Member(s) desiring to exercise vote can do so either by sending Postal Ballot Form or by using e-voting facility.
4. In case a member(s) desires to exercise vote by Postal Ballot Form, he/she is requested to carefully read the instructions printed on the Postal Ballot Form. After completing the enclosed Postal Ballot Form, send the self-addressed Business Reply Envelope to the Scrutinizer. Postage will be borne and paid by the Company.
5. The notice of Postal Ballot along with form will also be available on the Company's website [www.electrosteel.com](http://www.electrosteel.com)

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

**Item No. 1:**

On July 11, 2011, members of the Company through Special Resolution, passed under Section 293(1)(d) of the Companies Act, 1956, had accorded its consent to the Board to borrow money, together with the money(ies) already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) which may exceed aggregate of its paid-up share capital and free reserves, that is to say, reserves not set aside for specific purpose, provided that the total amount of money(ies) so borrowed shall not at any time exceed the limit of Rs. 2,500 Crore.

Consequent to implementation of Section 180(1)(c) of the Companies Act, 2013 (Section 293(1)(d) of erstwhile Companies Act, 1956), consent of the Company is required by way of Special Resolution to borrow funds in excess of the paid up share capital and free reserve of the Company. Accordingly item no. 1 have been put forward for your approval. For avoidance of doubt, it is clarified that this resolution does not increase the amount that may be borrowed by the Board that had been already approved by the members of the Company.

In view of the above, the Board of Directors recommends the resolution for your approval.

None of the Directors, Key Managerial personnel or relatives of Directors or Key Managerial personnel of the Company (save and except to the extent of their shareholding in the Company, if any), is in any way concerned or interested in the said Resolution.

**Item No. 2:**

The Shareholders of the Company had given their consent vide the Resolution passed through Postal Ballot, result of which was announced on July 5, 2013 for creating charge(s)/mortgages(s) on the whole or substantially the whole of the undertakings of the Company or all movable/immovable properties of the Company both present and future wherever situated in favour of the Lenders for securing any sums of money borrowed by the Company / to be availed aggregating upto Rs. 4,500 Crores (Rupees Four Thousand Five Hundred Crore only) or equivalent amount in any other foreign currency.

Consequent to implementation of Section 180(1)(a) of the Companies Act, 2013 (Section 293(1)(a) of erstwhile Companies Act, 1956), consent of the Company is required by way of Special Resolution for creation of charge(s) /mortgages(s). Accordingly item no. 2 have been put forward for your approval. For avoidance of doubt, it is clarified that this resolution does not increase the amount of charge that may be created by the Board that had been already approved by the members of the Company.

In view of the above, the Board of Directors recommends the resolution for your approval.

None of the Directors, Key Managerial personnel or relatives of Directors or Key Managerial personnel of the Company (save and except to the extent of their shareholding in the Company, if any), is in any way concerned or interested in the said Resolution.

**Item No. 3:**

Under Section 372A of the Companies Act, 1956, the Shareholders of the Company had given their consent vide the Resolution passed through Postal Ballot, result of which was announced on December 6, 2013 to give loan, provide guarantees/securities in connection with loan or invest in securities all together not exceeding Rs. 3,500 Crore to Electrosteel Steels Limited, an Associate Company and Rs. 600 Crore to other bodies corporate over and above limits of Rs. 3,500 Crore as set for ESL.

Consequent to implementation of Section 186 of the Companies Act, 2013, consent of the Company is required by way of Special Resolution to give loan, provide guarantees/securities in connection with loan or invest in securities. Accordingly item no. 3 have been put forward for your approval. For avoidance of doubt, it is clarified that this resolution does not increase/modify the limits which had been already approved by the members of the Company.

In view of the above, the Board of Directors recommends the resolution for your approval.

None of the Directors, Key Managerial personnel or relatives of Directors or Key Managerial personnel of the Company (save and except to the extent of their shareholding in the Company, if any), is in any way concerned or interested in the said Resolution.

**By Order of the Board of Directors  
For Electrosteel Castings Limited  
Sd/-**

May 10, 2014  
Kolkata

**Kavita Bhavsar  
Company Secretary**

**CERTIFIED TRUE COPY  
For Electrosteel Castings Limited**

*K Bhavsar*  
Company Secretary



## INSTRUCTIONS

In compliance with Clause 35B of Listing Agreement and provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Electronic Voting (hereinafter referred as "e-voting") facility as an alternative for the Members holding shares in demat form and physical form which would enable them to cast their votes electronically, instead of dispatching the physical Postal Ballot form through post.

The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility to its members.

### PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

- A) In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participant(s)]:-
- i) Open email and open PDF file viz; "Electrosteel Postal Ballot-2014.pdf" with your Client id (in case shares are held in demat mode) and Folio No. (in case you are holding shares in physical mode) as default password. The said PDF file contains your "User Id" and "Password/PIN" for e-voting. Please note that the password is an initial password.
  - ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - iii) Click on Shareholder – Login
  - iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - v) Password change menu appear. Change the password/PIN with a new password of your choice, making sure that it contains a minimum of 8 digits/ characters or a combination of the two. Please take utmost care to keep your password confidential.
  - vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - vii) Select "EVEN" of Electrosteel Castings Limited.
  - viii) Now you are ready for e-voting as Cast Vote page opens
  - ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x) Upon confirmation, the message "Vote cast successfully" will be displayed
  - xi) Once you have voted on the resolution, you cannot modify your vote.
  - xii) 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](mailto:kavita.bhavsar@electrosteel.com) or [paval.bhimraika@electrosteel.com](mailto:paval.bhimraika@electrosteel.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the "Downloads" section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- B) In case a Member receives physical copy of the Postal Ballot Notice [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided at the bottom of the Postal Ballot Form.
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above to cast vote.

CERTIFIED TRUE COPY  
For Electrosteel Castings Limited

*K Bhavsar*  
Company Secretary



**C) PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING**

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self addressed Business Reply Envelope. Postage will be borne and paid by the Company.
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of the Directors of the Company.
3. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member.
4. Unsigned, incomplete, incorrect Forms will be rejected.
5. Members may not use all their votes and may not cast all their votes in the same way.
6. Duly completed Postal Ballot Forms should reach the Scrutinizer before 6:00 p.m. IST on Saturday, 23<sup>rd</sup> day of August, 2014. All Postal Ballot Forms received after this date will be treated as if reply from such Member has not been received.
7. A Member may request for a duplicate Ballot form if so required. However, the duly filled in duplicate Ballot Form should reach the Scrutinizer not later than the date as specified at Item no. 6 above.
8. In case the Form is signed by an Authorized representative of a Body Corporate, Trust, Societies or any other entity, a certified true copy of the Board resolution or a specific authorization of such other entity as the case may be giving requisite authority to the person voting on the Ballot Form should accompany the Ballot Form.
9. 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.
10. There shall be one ballot for every Folio/DP ID & Client ID irrespective of the number of joint holders.
11. Members are requested not to send any other paper alongwith the Form in the enclosed self-addressed envelope in as much as all such envelopes will be sent to the Scrutinizer and any extra paper found in such envelope would be destroyed by the Scrutinizer.

**D) Other General Instructions:**

- (i) The e-voting period commences on Thursday, July 24, 2014 (9.00 a.m. IST) and ends on Saturday, August 23, 2014 (6.00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date July 11, 2014, may cast their vote electronically.
- (ii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on July 11, 2014.
- (iii) The Board of Directors has appointed Ms. Rashmi Bihani of M/s Bihani Rashmi & Company, Practicing Chartered Accountant as the Scrutinizer to scrutinize the voting process (voting through Postal Ballot as well as e-voting) in a fair and transparent manner.
- (iv) Members who do not have access to e-voting facility may send duly completed Postal Ballot Form so as to reach the Scrutinizer M/s Bihani Rashmi & Company, at the Corporate Office of the Company at 19, Camac Street, Kolkata-700017, not later than Saturday, August 23, 2014 (6.00 p.m. IST).
- (v) Members have the option to request for physical copy of the Postal Ballot Form by sending an e-mail to [kavita.bhavsar@electrosteel.com](mailto:kavita.bhavsar@electrosteel.com) or [payal.bhimrajika@electrosteel.com](mailto:payal.bhimrajika@electrosteel.com) by mentioning their Folio No. / DP ID and Client ID No.

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For Electrosteel Castings Limited

- (vi) A Member can opt for only one mode of voting i.e. either through e-voting or by Postal Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- (vii) The Scrutinizer's decision on the validity of a Postal Ballot Form/e-voting shall be final.
- (viii) The Scrutinizer will submit her report to the Chairman or in his absence to any Director or the Company Secretary of the Company after completion of the scrutiny. The result of postal ballot form and e-voting shall be aggregated and the same will be announced on August 26, 2014 at the Corporate Office of the Company at 03:00 p.m.
- (ix) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.electrosteel.com](http://www.electrosteel.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- (x) The resolutions shall be deemed to be passed on August 26, 2014.
- (xi) In case you have any queries or issues regarding postal ballot/ e-voting, please contact the Company or Registrar & Share Transfer Agent or send mail to [kavita.bhavsar@electrosteel.com](mailto:kavita.bhavsar@electrosteel.com) or [pavai.bhimrajka@electrosteel.com](mailto:pavai.bhimrajka@electrosteel.com)
- (xii) 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).

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**For Electrosteel Castings Limited**

*K Bhavsar*  
Company Secretary