

BHUSHAN STEEL LIMITED

Registered Office : Bhushan Centre, Ground Floor, Hyatt Regency Complex, Bhikaji Cama Place, New Delhi-110066

Phone No.: 011- 71194000, Fax No.: 011- 46518611, e-mail: bsl@bhushansteel.com

CIN : L74899DL1983PLC014942, Website : www.bhushansteel.com



BHUSHAN

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF BHUSHAN STEEL LIMITED WILL BE HELD ON SATURDAY, THE 20TH DAY OF SEPTEMBER, 2014 AT 11.00 A.M. AT THE AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI-110010 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March, 2014 and the Balance Sheet as on that date and the reports of Directors and Auditors thereon.
2. To confirm payment of interim dividend paid on redemption of Preference Shares and declare final dividend on 99,72,184 Redeemable Cumulative Preference Shares as per their contracted rates proportionately from the date of allotment till 31st March 2014.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. B. B. Singal, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. P.K. Aggarwal, who retires by rotation and being eligible, offers himself for reappointment.
6. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Mehra Goel & Co., Chartered Accountants, be and are hereby reappointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors."

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

APPOINTMENT OF MR. MOHAN LAL AS AN INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. Mohan Lal (DIN : 00038656) Director of the Company who was appointed as a Director liable to retire by rotation in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director to hold office for 5 (five) consecutive years for a term up to the conclusion of Annual General Meeting of the Company in the Calendar year 2019 and he is not liable to retire by rotation."

8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

APPOINTMENT OF MR. B. B. TANDON AS AN INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. B.B. Tandon (DIN : 00740511) Director of the Company who was appointed as a Director liable to retire by rotation in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director to hold office for 5 (five) consecutive years for a term up to the

conclusion of Annual General Meeting of the Company in the Calendar year 2019 and he is not liable to retire by rotation."

9. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

APPOINTMENT OF MR. M.V. SURYANARAYANA AS AN INDEPENDENT DIRECTOR

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. M.V. Suryanarayana (DIN : 00372812) Director of the Company who was appointed as a Director liable to retire by rotation in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director to hold office for 5 (five) consecutive years for a term up to the conclusion of Annual General Meeting of the Company in the Calendar year 2019 and he is not liable to retire by rotation."

10. To consider and if thought fit, to pass the following resolution as a Special Resolution:

REAPPOINTMENT OF SH. P.K. AGGARWAL AS WHOLE-TIME DIRECTOR (COMMERCIAL)

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read together with Schedule V and the Rules framed thereunder and other applicable provisions, if any of the Companies Act, 2013 (hereinafter referred to as the "Act"), as amended from time to time, the consent of the Company be and is hereby accorded to the re-appointment of Mr. P.K. Aggarwal, as a Whole- Time Director (Commercial) of the Company, for a period of five (5) years with effect from 30th April, 2014 on the terms and conditions including remuneration as set out below in this resolution subject to an overall ceiling of remuneration stipulated in section 197 of the Companies Act, 2013 including any statutory modification (s) or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. P. K. Aggarwal :

Salary including perquisites and allowances	₹ 5,00,000/- p.m. in the scale of 5,00,000-50000-7,00,000
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He shall not be paid any sitting fee for attending meetings of the Board of Directors or Committee(s).

RESOLVED FURTHER THAT the Board of Directors / Committee be and is hereby authorized to take such steps as may be necessary and execute deeds, applications, documents, and writings that may be required on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

11. To Consider and if thought fit, to pass the following resolution as a Special Resolution :-

BORROWING POWERS OF THE BOARD

"RESOLVED THAT in supersession of the resolution passed by the shareholders of the Company at the Annual General Meeting of the Company held on 21-09-2013, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, the consent of the Company by way of a Special Resolution be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board"

which term shall be deemed to include any committee thereof) 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 capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 60,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required in its absolute discretion to give effect to this Resolution."

12. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

CREATION OF CHARGES ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWINGS

"**RESOLVED THAT** in supersession of the resolution passed by the shareholders of the Company at the Annual General Meeting of the Company held on 29-09-1997, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company by way of a Special Resolution be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Ordinary Shares/ 'A' Ordinary Shares and/or rupee/foreign currency convertible bonds and/or foreign currency bonds and/or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed ₹ 60,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required in its absolute discretion to give effect to this Resolution."

13. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

APPROVAL OF REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31ST MARCH 2015

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/S Kabra & Associates, Cost Accountant, Cost Auditors appointed by the Board of Directors of the Company to conduct the Audit of the Cost Records of the Company for the Financial year ending March 31, 2015, be paid the remuneration amounting to ₹ 2,50,000/- (Two Lac fifty thousand) per annum."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such

steps as may be necessary, proper or expedient to give effect to this resolution."

14. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

FURTHER ISSUE OF SECURITIES

"**RESOLVED AS A SPECIAL RESOLUTION** that pursuant to the provisions of Sections 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the Rules made thereunder, as amended from time to time, including, without limitation, pursuant to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, Listing Agreement and all other applicable laws and regulations including the Foreign Exchange Management Act, 2000 ("FEMA"), Foreign Exchange Management (Transfer or issue of Securities by a person resident outside India) Regulations, 2000 and Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme 1993, and such other statutes, notifications, clarifications, circulars, rules, regulations/guidelines, if any, prescribed by the Government of India (the "GOI"), the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Stock Exchanges or any other relevant authority, as amended from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions of SEBI, the Stock Exchanges, the RBI, Department of Industrial Policy and Promotion, Ministry of Commerce ('DIPP'), the Foreign Investment Promotion Board ('FIPB'), and all other authorities as may be required (the "Appropriate Authorities"), and subject to such conditions as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee (s) constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution) to create, issue, offer and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), through one or more tranches by way of public issue and/or rights issue and/or on a private placement basis and/or preferential issue or a combination of any of the above, as may be permitted under applicable law from time to time (including without limitation through a qualified institutions placement ("QIP") since the Company will be eligible to undertake such an offering pursuant to the provisions of Chapter VIII of the SEBI ICDR Regulations) in domestic and/or one or more international market (s), with or without a green shoe option, such number of Equity Shares and/or Preference Shares and/ Equity Shares through depository receipts including American Depository Receipt (ADRs), Global Depository Receipt (GDRs), Foreign Currency Convertible Bonds (FCCBs), Foreign Currency Bonds and/or Convertible Bonds fully or partly paid up, Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs) and/or other securities convertible into Equity Shares at the option of the Company and/or holder (s) of such Securities, and/or Securities linked to Equity Shares and/or securities with or without detachable / non-detachable warrants with a right exercisable by the warrant holder to subscribe for the Equity Shares and/or warrants with an option exercisable by the warrant-holder to subscribe for Ordinary Shares and/or any instruments or securities representing either Equity Shares, secured premium notes and/or any other financial instruments which would be converted into / exchanged with equity shares at a later date (hereinafter referred to as the "Securities") as the Board at its sole discretion or in consultation with underwriters, merchant bankers, financial advisors or legal advisors may at any time decide, whether Rupee denominated or denominated in foreign currency, to any eligible investors (whether residents and/or non-resident and/or Qualified Institutional Buyers, and/or non-institutional investors and/or qualified foreign investors including institutions / banks and/or incorporated bodies, Foreign

Institutional Investors (FIIs) and/or individuals and/or mutual funds and/or insurance companies and/or pension funds and/or trustees and/or stabilizing agents and/or promoters of the Company and/or the shareholders of the Company as of a particular record date decided by the Board and/or any other categories of investors and whether or not such investors are members of the Company) through issue of prospectus or Letter of offer or placement documents or circulars or other permissible/requisite offer document, for an aggregate amount not exceeding US\$ 1000,000,000 (US\$ One Thousand Million) or its equivalent in one or more currencies, including premium, if any, and in such manner and on such price, terms and conditions as may be determined by the Board, in accordance with the provisions of the SEBI ICDR Regulations or other provisions of law as may be prevailing at the time; provided that in case of an issuance of Securities to qualified institutional buyers through a QIP, the price inclusive of premium of the equity shares so issued shall not be less than the price determined in accordance with the provisions of the SEBI ICDR Regulations, including a discount of up to 5% to the floor price or such other discount as may be permitted under Chapter VIII of the SEBI ICDR Regulations and approved by the Board."

"**RESOLVED FURTHER THAT** the Securities to be created, issued, offered and allotted shall be subject to the provisions of the 'Memorandum and Articles of Association' of the Company and the terms of the issue and the equity shares allotted in terms of this resolution shall rank pari passu in all respect with the existing Equity Shares of the Company. The number and/ or price of the Securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring."

"**RESOLVED FURTHER THAT** in addition to all applicable Indian laws, the Securities issued in pursuance of this resolution shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or that may in any other manner apply to such Securities or provided in the terms of their issue."

"**RESOLVED FURTHER THAT** in case of QIP pursuant to Chapter VIII of the SEBI ICDR Regulations, the allotment of Securities shall only be made to Qualified Institutional Buyers within the meaning of the SEBI ICDR Regulations and such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution."

"**RESOLVED FURTHER THAT** the "Relevant Date" for pricing of the Securities, in case of an issuance of Securities to qualified institutional buyers through a QIP, for determination of minimum price for the issue of the Securities and/or shares arising out of conversion of Securities will be the date of meeting in which the Board / Committee decides to open the proposed issue of Securities, or, in case of Securities which are convertible or exchangeable with equity shares, either the date of the meeting in which the Board or the committee of directors duly authorized by the Board decides to open the issue of such convertible securities or the date on which the holders of convertible Securities become entitled to apply for equity shares."

"**RESOLVED FURTHER THAT** in case of an issuance of FCCBs/ ADRs/GDRs, the relevant date for the determination of the issue price of the securities offered, shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as may be amended from time to time."

"**RESOLVED FURTHER THAT** the Common Seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of any one director of the Company in accordance with the Articles of Association of the Company."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of ordinary shares or Securities or instruments representing the same, as described above, the Board/ Committee be and is hereby authorized on behalf of the Company, to

do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, to enter into arrangements for appointment of agencies for managing, underwriting, marketing, listing and trading of Securities issued, such as merchant bankers, lead managers, advisors, depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee and to issue any offer document (s), including but not limited to a prospectus or Letter of offer or placement document within the meaning of the laws of India, to approve the final form of and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue (s) or allotment (s) as it may, in its absolute discretion, deem fit."

"**RESOLVED FURTHER THAT**, subject to applicable law, the Board/ Committee be and is hereby authorized to delegate all or any of the powers herein conferred, to any one or more Directors of the Company with power to delegate to any Officers of the Company to give effect to this resolution."

15. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

TO APPROVE OFFER OR INVITATION TO SUBSCRIBE TO NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS

"**RESOLVED AS A SPECIAL RESOLUTION THAT** pursuant to the provisions of sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to authorize the Board of Directors of the Company to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to ₹ 2,500 crore (Rupees Two Thousand Five Hundred crore), on private placement, on such terms and conditions as the Board of Directors of the Company at its absolute discretion may, from time to time determine and consider proper and most beneficial to be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary proper or expedient to give effect to this resolution."

16. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

ISSUE OF REDEEMABLE CUMULATIVE PREFERENCE SHARES

"**RESOLVED AS A SPECIAL RESOLUTION THAT** pursuant to the provisions of sections 55 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and debenture) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, approval of the members be and is hereby accorded to authorize the Board of Directors of the Company to create, offer, issue and allot 75,00,000 Redeemable Cumulative Preference Shares of ₹ 100/- each to be issued at such rate not exceeding ₹ 3000 per share (including maximum premium of ₹ 2900 per share) for an aggregate amount not exceeding ₹ 2250 Cr. as the Board may decide to various entities/persons which may include the Promoter/ Promotor Group and Associates, whether or not they are Member(s) of the Company, on private placement basis and subject to the following terms and conditions :

- **PREMIUM :** Redeemable Cumulative Preference Shares of ₹ 100 each shall be issued at cash at a premium not exceeding ₹ 2900 per share.

- **DIVIDEND** : Dividend not exceeding @ 12 % per annum. The said shares shall rank for dividend in priority to the equity shares for the time being of the Company.
- **REDEMPTION** : At the option of Board, at any time within ten years from the date of allotment the said preference shares shall be Redeemed at a premium not exceeding ₹ 2900/- per share.
- **PUT AND CALL OPTION** : The holder of Preference Shares and the Board / Company has an option to redeem the Preference Shares at any time prior to their maturity provided one month notice showing the intention regarding the redemption of Preference Shares is given.
- **CONVERSION** : The said preference shares shall be non convertible.
- **ENTITLEMENT IN CASE OF WINDING-UP**- The said shares shall in winding up be entitled to rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up, in priority to the equity shares but shall not be entitled to any further participation in profits or assets or surplus fund.
- **VOTING RIGHTS**: The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force)."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and are hereby authorized to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, allotment and utilization of the issue proceeds towards the Company's corporate needs as they may deem fit."

17. To consider and, if thought fit, to pass following resolution as a Special Resolution:

ADOPTION OF NEW ARTICLES OF ASSOCIATION OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in

substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

18. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY

"**RESOLVED AS A SPECIAL RESOLUTION THAT** authorised Share Capital of the Company be and is hereby increased from ₹ 225,00,00,000 (Rupees Two Hundred Twenty Five Crore) to ₹ 275,00,00,000 (Rupees Two Hundred seventy Five Crore) by creation of 50,00,000 (fifty Lac) Preference Shares of ₹ 100/- each."

19. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

AMENDMENT IN MEMORANDUM OF ASSOCIATION

"**RESOLVED AS A SPECIAL RESOLUTION THAT** the Memorandum of Association of the Company be and are hereby amended as follows:-

Clause V of the Memorandum of Association of the Company be substituted by the following :-

- V. "The Authorized Share Capital of the Company is ₹ 275,00,00,000 (Rupees Two hundred Seventy Five Crores) divided into 40,00,00,000 (Forty Crores) Equity Shares of ₹ 2/- (Rupees Two) each and 195,00,000 (One Hundred Ninety Five Lac) Preference Shares of ₹ 100/- (Rupees One Hundred) each."

Registered Office:

Bhushan Centre, Ground Floor,
Hyatt Regency Complex,
Bhikaji Cama Place, New Delhi-110066
CIN L74899DL1983PLC014942
Website: www.bhushansteel.com

By order of the Board

Sd/
(O. P. Davra)
Vice President (Corporate affairs)
& Company Secretary

Dated : 12.08.2014

Place : New Delhi

NOTES FOR MEMBERS ATTENTION:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT A PROXY WHO NEED NOT BE A MEMBER, TO ATTEND AND VOTE ON HIS/HER BEHALF.

THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.

- i. AS PER SECTION 105 OF THE COMPANIES ACT, 2013 AND RELEVANT RULES MADE THERE UNDER, A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
- ii. DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING WITH THE CONCLUSION OF THE MEETING, A MEMBER WOULD BE ENTITLED TO INSPECT THE PROXIES LODGED AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, PROVIDED THAT NOT LESS THAN THREE DAYS OF NOTICE IN WRITING IS GIVEN TO THE COMPANY.

2. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS ENCLOSED.
3. MEMBERS ARE INFORMED THAT AS PER SEBI DIRECTIVE THE COMPANY HAS ENTERED INTO AN AGREEMENT WITH RCMC SHARE REGISTRY PVT. LTD. TO ACT AS SHARE TRANSFER AGENTS OF THE COMPANY WITH EFFECT FROM 31ST MARCH, 2003 FOR ALL MATTERS CONNECTED WITH TRANSFERS AND TRANSMISSION OF SHARES AND ALSO DEMATERIALISATION OF SHARES AND OTHER RELATED FUNCTIONS ETC.

PLEASE NOTE THAT THE ADDRESS OF COMPANY'S REGISTRAR HAS BEEN SHIFTED **FROM** B-106, SECTOR-2, NOIDA (UP)-201301 **TO** B-25/1, FIRST FLOOR, OKHLA INDUSTRIAL AREA PHASE II, NEW DELHI - 110020.

ANY CORRESPONDENCE RELATING TO SHARES CAN BE MADE TO THE COMPANY'S REGISTRAR AT:

M/S RCMC SHARE REGISTRY PVT. LTD.
 UNIT: BHUSHAN STEEL LIMITED
 B-25/1, First Floor,
 Okhla Industrial Area Phase II,
 New Delhi - 110020.
 Phone : 011 - 26387320, 26387321, 26387323
 Fax : 011 - 26387322
 e-mail : shares@rcmcdelhi.com

4. MEMBERS / PROXIES SHOULD FILL THE ATTENDANCE SLIP FOR ATTENDING THE MEETING.
5. CORPORATE MEMBERS ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORISING THEIR REPRESENTATIVES TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING.
6. MEMBERS WHO HOLD SHARES IN DEMATERIALIZED FORM ARE REQUESTED TO BRING THEIR CLIENT ID AND DP ID NUMBERS FOR EASY IDENTIFICATION OF ATTENDANCE AT THE MEETING.
7. RELEVANT DOCUMENTS REFERRED TO IN THE ACCOMPANYING NOTICE ARE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY ON ALL WORKING DAYS, EXCEPT SATURDAYS AND HOLIDAYS, BETWEEN 11.00 AM AND 1.00 PM UPTO THE DATE OF THE ANNUAL GENERAL MEETING.
8. MEMBERS HAVING ANY QUERIES RELATING TO THE ANNUAL REPORT ARE REQUESTED TO SEND THEIR QUESTIONS AT THE

REGISTERED OFFICE OF THE COMPANY ATLEAST 7 DAYS BEFORE THE DATE OF ANNUAL GENERAL MEETING.

9. PURSUANT TO THE PROVISIONS OF SECTION 205A (5) OF THE COMPANIES ACT, 1956, DIVIDEND FOR THE FINANCIAL YEAR ENDED 31-03-2007 AND THEREAFTER, WHICH REMAIN UNCLAIMED FOR A PERIOD OF 7 YEARS WILL BE TRANSFERRED BY THE COMPANY TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF) ESTABLISHED BY THE CENTRAL GOVERNMENT.

MEMBERS WHO HAVE NOT SO FAR ENCASHED THEIR DIVIDEND WARRANTS FOR THE FINANCIAL YEAR ENDED 31-03-2007 OR ANY SUBSEQUENT FINANCIAL YEAR ARE REQUESTED TO APPROACH THE COMPANY FOR OBTAINING FRESH PAY ORDER/ DEMAND DRAFT IN LIEU OF EXPIRED DIVIDEND WARRANT. IT MAY ALSO BE NOTED THAT ONCE THE UNCLAIMED DIVIDEND IS TRANSFERRED TO THE SAID FUND, AS ABOVE, NO CLAIM SHALL LIE AGAINST THE COMPANY OR THE FUND IN RESPECT THEREOF.

FURTHER PURSUANT TO THE PROVISIONS OF INVESTOR EDUCATION AND PROTECTION FUND (UPLOADING OF INFORMATION REGARDING UNPAID AND UNCLAIMED AMOUNTS LYING WITH THE COMPANIES) RULES, 2012, THE COMPANY HAS UPLOADED THE DETAILS OF UNPAID AND UNCLAIMED AMOUNTS LYING WITH THE COMPANY AS ON 21st SEPTEMBER 2013 (DATE OF LAST ANNUAL GENERAL MEETING) ON THE WEBSITE OF THE COMPANY (WWW.BHUSHANSTEEL.COM), AS ALSO ON THE WEBSITE OF MINISTRY OF CORPORATE AFFAIRS.

10. (a) THE COMPANY HAS ALREADY NOTIFIED CLOSURE OF REGISTER OF MEMBERS AND TRANSFER BOOKS THEREOF FROM WEDNESDAY 17th SEPTEMBER, 2014 TO SATURDAY, 20th SEPTEMBER, 2014 (BOTH DAYS INCLUSIVE) FOR DETERMINING THE NAMES OF MEMBERS ELIGIBLE FOR DIVIDEND, IF APPROVED ON EQUITY SHARES.
- (b) IN RESPECT OF SHARES HELD IN ELECTRONIC FORM, DIVIDEND WILL BE PAID ON THE BASIS OF PARTICULARS OF BENEFICIAL OWNERSHIP FURNISHED BY THE DEPOSITORIES FOR THIS PURPOSE.
- (c) THE DIVIDEND ON EQUITY SHARES, AS RECOMMENDED BY THE BOARD OF DIRECTORS, IF DECLARED AT THE ANNUAL GENERAL MEETING, WILL BE PAID ON OR AFTER 20th SEPTEMBER, 2014 :
 - i) TO ALL THE BENEFICIAL OWNERS IN RESPECT OF SHARES HELD IN ELECTRONIC FORM AS PER THE DATA AS MAY BE MADE AVAILABLE BY NATIONAL SECURITIES DEPOSITORY LIMITED AND CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED AS AT THE CLOSE OF BUSINESS HOURS ON 20th SEPTEMBER, 2014.
 - ii) TO ALL THE SHAREHOLDERS IN RESPECT OF SHARES HELD IN PHYSICAL FORM AFTER GIVING EFFECT TO VALID TRANSFERS IN RESPECT OF TRANSFER REQUESTS LODGED WITH THE COMPANY ON OR BEFORE THE CLOSE OF BUSINESS HOURS ON 16th SEPTEMBER, 2014.
- (d) MEMBERS MAY PLEASE NOTE THAT THE DIVIDEND WARRANTS SHALL BE PAYABLE AT PAR AT THE DESIGNATED BRANCHES OF THE BANK PRINTED ON THE REVERSE OF THE DIVIDEND WARRANTS FOR AN INITIAL PERIOD OF THREE MONTHS ONLY. THE MEMBERS ARE THEREFORE, ADVISED TO ENCASH DIVIDEND WARRANTS WITHIN THE INITIAL VALIDITY PERIOD.
11. IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHO IS HIGHER IN ORDER OF NAMES WILL BE ENTITLED TO VOTE.
12. NON-RESIDENT INDIAN MEMBERS ARE REQUESTED TO INFORM **M/S RCMC SHARE REGISTRY PVT. LTD. :**
 - (A) IMMEDIATELY THE CHANGE IN THE RESIDENTIAL STATUS ON RETURN TO INDIA FOR PERMANENT SETTLEMENT.
 - (B) THE PARTICULARS OF THE BANK ACCOUNTS MAINTAINED IN INDIA WITH COMPLETE NAME, BRANCH, ACCOUNT TYPE, ACCOUNT NUMBER AND ADDRESS OF THE BANK, IF NOT FURNISHED EARLIER.

13. INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING MR. B.B. SINGAL, DIRECTOR BEING RE-APPOINTED:

Date of Birth	20.11.1936	
Expertise in specific areas	He is a Law Graduate having more than 53 years experience in all functional areas, project conceptualization and planning Technology Evaluation.	
Qualifications	LL.B.	
Directorship in other Companies	<ol style="list-style-type: none"> 1. Bhushan Steel Limited 2. Bhushan Energy Limited 3. Bowen Energy Limited 4. Benreeza Estates And Investments Pvt. Ltd. 5. Kishorilal Shantidevi Charitable Foundation 6. Bhushan Capital & Credit Services Pvt. Ltd. 7. Marsh Capital Serviaces Pvt. Ltd. 8. Parakeet Finvest Pvt. Ltd. 9. Bhushan Steel (Orissa) Limited 10. Bhushan Steel (South) Limited 	<ol style="list-style-type: none"> 11. Bhushan Steel Bengal Limited 12. Bhushan Steel Madhya Bharat Limited 13. Shirraj Investment & Finace Ltd. 14. Bhushan Consumer Electronics Pvt. Ltd. 15. Bhushan Energy Trading Pvt. Ltd. 16. Bhushan Exports Pvt. Ltd. 17. Nucleus Steel Pvt. Ltd. 18. SRN Mineral & Mining Pvt. Ltd. 19. Bhushan Finance Pvt. Ltd. 20. NRA Cement Pvt. Ltd.
Shareholdings in the company as on 31.03.2014	45628672	

14. ELECTRONIC COPY OF THE ANNUAL REPORT FOR 2013-14 IS BEING SENT TO ALL THE MEMBERS WHOSE EMAIL IDS ARE REGISTERED WITH THE COMPANY/DEPOSITORY PARTICIPANTS(S) FOR COMMUNICATION PURPOSES UNLESS ANY MEMBER HAS REQUESTED FOR A HARD COPY OF THE SAME. FOR MEMBERS WHO HAVE NOT REGISTERED THEIR EMAIL ADDRESS, PHYSICAL COPIES OF THE ANNUAL REPORT FOR 2013-14 IS BEING SENT IN THE PERMITTED MODE.
15. ELECTRONIC COPY OF THE NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY INTER ALIA INDICATING THE PROCESS AND MANNER OF E-VOTING ALONG WITH ATTENDANCE SLIP AND PROXY FORM IS BEING SENT TO ALL THE MEMBERS WHOSE EMAIL IDS ARE REGISTERED WITH THE COMPANY/DEPOSITORY

PARTICIPANTS(S) FOR COMMUNICATION PURPOSES UNLESS ANY MEMBER HAS REQUESTED FOR A HARD COPY OF THE SAME. FOR MEMBERS WHO HAVE NOT REGISTERED THEIR EMAIL ADDRESS, PHYSICAL COPIES OF THE NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY INTER ALIA INDICATING THE PROCESS AND MANNER OF E-VOTING ALONG WITH ATTENDANCE SLIP AND PROXY FORM IS BEING SENT IN THE PERMITTED MODE.

16. INSTRUCTION FOR E-VOTING- A SEPARATE SHEET CONTAINING THE COMPLETE DETAILS OF THE INSTRUCTIONS FOR E-VOTING IS BEING SENT TO ALL THE SHAREHOLDERS ALONG WITH THE ANNUAL REPORT FOR THE YEAR 2013-14 TO ENABLE THEM TO CAST THEIR VOTES THROUGH E-VOTING.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 7

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from 1st April, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

The Board of Directors have decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act 2013 and the amended listing agreement.

Mr. Mohan Lal holds a Master's Degree in Arts and Bachelor's Degree in Law - both from University of Delhi. He has over 65 years of experience in the field of law, particularly in Income Taxation. He was designated as a senior advocate. He is in the Board of the Company since 11.04.1989.

The Company has received a nomination under Section 160 of the Companies Act, 2013 from a member of the Company with requisite deposit signifying his intention to propose the appointment of Mr. Mohan Lal as an Independent Director. Mr. Mohan Lal will hold office for a period of five years from the conclusion of this AGM.

In the opinion of the Board of Directors Mr. Mohan Lal fulfills the conditions specified in the Act and rules made there under and he is independent of the Management.

Information pursuant to clause 49 of the listing agreement in respect of Mr. Mohan Lal are as under:

Date of Birth	18.04.1923	
Expertise in specific areas	He is having vast experience in the fields of Taxation.	
Qualifications	MA, LL.B.	
Directorship in other Companies	1. Vallabh Steels Limited	2. Jaidka Industries Limited
Shareholdings in the company as on 31.03.2014	1100	

Save and except Mr. Mohan Lal, none of the other Directors and Key Managerial Personnel of the Company is, any way, concerned or interested in the Resolution.

Your Directors recommend the Resolution set out at Item No. 7 of the Notice for your approval.

ITEM NO. 8

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from 1st April, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

The Board of Directors have decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act 2013 and the amended listing agreement.

Mr. Brij Behari Tandon holds a master's degree in economics and a bachelor's degree in law from the University of Delhi, New Delhi, as well as a certificate of associateship from the Indian Institute of Bankers. Prior to joining the Board, he served as an officer of the Indian Administrative Service and has nearly 47 years of experience in such position. He served as the Chief Election Commissioner of India and the Election Commissioner of India, and also held numerous positions including as member of the delimitation commission of India, the Secretary to the Ministry of Personnel, Public Grievances and Pensions, GoI and the Secretary to the Ministry of Mines, GoI. He is in the Board of the Company since 23.09.2008.

The Company has received a nomination under Section 160 of the Companies Act, 2013 from a member of the Company with requisite deposit signifying his intention to propose the appointment of Mr. Brij

Behari Tandon as an Independent Director Mr. Brij Behari Tandon will hold office for a period of five years from the conclusion of this AGM.

In the opinion of the Board of Directors Mr. Brij Behari Tandon fulfills the conditions specified in the Act and rules made there under and he is independent of the Management.

Information pursuant to clause 49 of the listing agreement in respect of Mr. Brij Behari Tandon are as under:

Date of Birth	30-06-1941	
Expertise in specific areas	He was member of the IAS since 1965 to 2001 held various top level posts in the State of Himachal Pradesh and Govt. of India. He remained Election Commissioner of India from 13-06-2001 to 15-05-2005 and Chief Election Commissioner of India from 16-05-2005 to 29-06-2006.	
Qualifications	MA, LL.B., IAS (Retd.)	
Directorship in other Companies	1. Adani Power Ltd. 2. ACB(India) Ltd. 3. Birla Corporation Ltd. 4. Dhampur Sugar Mills Ltd. 5. Exicom Tele-Systems Ltd. 6. Filatex India Ltd. 7. Jaiprakash Power Ventures Ltd. 8. Jaypee Infratech Limited	9. Oriental Corbon & Chemicals Limited 10. VLS Finance Limited 11. Schrader Duncan Limited 12. Ambience Private Limited 13. Jinhuvish Power Generations Pvt. Limited 14. Ambuja Cement Foundation 15. JPVL Trust
Shareholdings in the company as on 31.03.2014	NIL	

Save and except Mr. Brij Behari Tandon, none of the other Directors and Key Managerial Personnel of the Company is, any way, concerned or interested in the Resolution.

Your Directors recommend the Resolution set out at Item No. 8 of the Notice for your approval.

ITEM NO. 9

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from 1st April, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

The Board of Directors have decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act 2013 and the amended listing agreement.

Mr. Malakapalli Venkta Suryanarayana is a fellow member of the ICAI. He has over 35 years of experience with the Life Insurance Corporation of India, and held various positions during his tenure, retiring as the executive director (audit). Mr. Malakapalli Venkta Suryanarayana is on the Board of our Company since 13.10.2009 as an Independent Director, previously being on the Board as a nominee Director of the Life Insurance Corporation of India and on his retirement he was appointed as Additional director on the Board of the Company and appointed as Director of the Company at the AGM held on 25-09-2010.

The Company has received a nomination under Section 160 of the Companies Act, 2013 from a member of the Company with requisite deposit signifying his intention to propose the appointment of Mr. Malakapalli Venkta Suryanarayana as an Independent Director Mr. Malakapalli Venkta Suryanarayana will hold office for a period of five years from the conclusion of this AGM.

In the opinion of the Board of Directors Mr. Malakapalli Venkta Suryanarayana fulfills the conditions specified in the Act and rules made there under and he is independent of the Management.

Information pursuant to clause 49 of the listing agreement in respect of Mr. Malakapalli Venkta Suryanarayana are as under:

Date of Birth	05.04.1946	
Expertise in specific areas	He is having 35 years of experience in LIC of India. He held various positions in LIC of India. He retired from LIC of India , Mumbai as Executive Director(Audit).	
Qualifications	F.C.A.	
Directorship in other Companies	1. UTI Asset Management Company Limited	2. UTI Venture funds Management Private Limited
Shareholdings in the company as on 31.03.2014	NIL	

Save and except Mr. Malakapalli Venkta Suryanarayana, none of the other Directors and Key Managerial Personnel of the Company is, any way, concerned or interested in the Resolution.

Your Directors recommend the Resolution set out at Item No.9 of the Notice for your approval.

ITEM NO. 10

The Board of Directors of the Company in its meeting held on 12th February 2014 has, subject to the approval of members, reappointed Mr. P.K. Aggarwal, as the Whole-Time Director (Commercial) w.e.f. 30th April 2014 at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

Mr. P.K. Aggarwal, a Chartered Accountant with more than 32 years experience. He is working with the Organisation since 01-02-1989. Presently he is looking after commercial and legal functions of the Company.

He shall not be paid any sitting fee for attending meetings of the Board of Directors or Committee(s).

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. P.K. Aggarwal under section 190 of the Companies Act, 2013.

Mr. P.K. Aggarwal is interested in the Resolution which pertain to his appointment and / or remuneration payable to him. Save and except Mr. P.K. Aggarwal, none of the other Directors and Key Managerial Personnel of the Company is, any way, concerned or interested in the Resolution.

His appointment shall be subject to retirement by rotation as provided in the Act but he shall be eligible for re-appointment.

Your Directors recommend the Resolution set out at Item No. 10 of the Notice for your approval.

Information pursuant to clause 49 of the listing agreement in respect of Mr. P.K. Aggarwal are as under:

Date of Birth	29-11-1954	
Expertise in specific areas	He is a Chartered Accountant with more than 35 years experience. Presently he is looking after Commercial and Legal functions of the Company.	
Qualifications	F.C.A.	
Directorship in other Companies	1. Bhushan Steel(Australia) PTY Limited	
Shareholdings in the company as on 31.03.2014	444	

ITEM NO. 11 :

Under the erstwhile Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the

shareholders obtained by an Ordinary Resolution, borrow monies, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Under the provisions of Section 180(1)(c) of the Act, which were made effective from September 12, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per the Circular dated March 25, 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (d) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Act, i.e. up to September 11, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the paid up capital and free reserves of the Company.

The shareholders of the Company at the Annual General Meeting of the Company held on 21-09-2013 of the Company, had accorded their consent to the Board of Directors for borrowing up to ₹ 50,000 crores or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

Now it is proposed to increase the borrowing limits to enable the Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 60,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. It is necessary to obtain fresh approval of the shareholders by means of a Special Resolution.

The Board recommends the Resolution at Item No.11 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.11 of the Notice.

ITEM NO. 12 :

Under the erstwhile Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Under the provisions of Section 180 (1) (a) of the Act, which were made effective from September 12, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per the Circular dated March 25, 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Act, i.e. up to September 11, 2014.

As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). It is therefore, necessary to obtain members' approval by way of a Special Resolution under Section 180 (1) (a) of the Act for creation of charges/mortgages/ hypothecations for an amount not exceeding ₹ 60,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The Board recommends the Resolution at Item No.12 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 12 of the Notice.

ITEM NO. 13:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 13 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 13 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 13 of the Notice for approval by the shareholders.

ITEM NO. 14:

Pursuant to the 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the Rules made thereunder, as amended from time to time, any offer or issue of securities in the Company to persons other than the Members of the Company requires prior approval of the Members by way of Special Resolution. An enabling resolution was passed in Annual General Meeting of Shareholder held on 21st September, 2013. Due to depressed domestic/International markets conditions, we could not issue new securities. The said resolution is valid for one year which will expire on 20th September, 2014. Now it is proposed to pass a fresh resolution at the ensuing Annual General Meeting of Shareholder of the Company to be held on 20th September, 2014.

In order to meet the long-term fund requirements of the Company for expansion and/or modernization of existing business, development of infrastructure for future growth (organic as well as inorganic), capital expenditure, working capital requirements, repayment of debts/indebtedness and for other approved general corporate objectives from time to time, and to augment the Company's capital base and financial position, it is proposed to raise financial resources through the issue of Securities in the Domestic/International markets for an amount not exceeding US\$ 1,000,000,000 (US\$ One Thousand Million), or its equivalent in one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price or prices and at such time as may be

considered appropriate by the Board, to the various categories of investors in the domestic/International markets, as set out in the Resolution at Item No. 14 of the Notice. This is again an enabling resolution and the company will issue new securities, subject to the necessary compliances.

The detailed terms and conditions of the issue as and when made, will be determined / finalized by the Board of Directors / Committee in consultation with the Legal Advisors, Merchant Bankers, Lead Managers, Underwriters and other experts in accordance with the applicable provisions of Law.

Your Directors recommended the resolution set out at item no. 14 of the Notice for the approval of the Members.

None of the Directors of the Company is in any way, concerned or interested in the Resolution.

ITEM NO. 15:

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, inter alia, under Section 42 of the Act deals with Private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

In order to augment long term resources for financing, inter alia, the ongoing capital expenditure and for general corporate purposes, the Company may offer or invite subscription for secured / unsecured redeemable non-convertible debentures, in one or more series/ tranches on private placement, issuable / redeemable at par.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 15 of the Notice. This resolution enables the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 15 of the Notice.

The Board recommends the special Resolution set out at Item No. 15 of the Notice for approval by the shareholders.

ITEM NO. 16

In order to meet the fund requirements of the Company, it is proposed to raise the funds by issue of Redeemable Cumulative Preference Shares. The Preference Shares may be issued in one or more tranches to various entities/persons which may include the Promoter/ Promoter Group and Associates, whether or not they are Member(s) of the Company, on private placement basis.

DISCLOSURE AS PER CLAUSE 9 (3) OF COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES 2014 :

a	Size of the issue and number of preference shares to be issued and nominal value of each share	75,00,000 Redeemable Cumulative Preference Shares of ₹ 100/- each to be issued at such rate not exceeding ₹ 3000/- per share (including maximum premium @ ₹ 2900.- per share) for an amount not exceeding ₹ 2250 Cr. to various entities/persons including Promoters/ Promoter Group & Associates, whether or not they are Member(s) of the Company.
b	Nature of such shares i.e. cumulative or non - cumulative, participating or non - participating , convertible or non - convertible	Cumulative, non - participating , and non - convertible
c	Objectives of the issue	To meet the fund requirements of the Company for expansion and/ or modernization of existing business, development of infrastructure for future growth (organic as well as inorganic), capital expenditure, working capital requirements, repayment of debts/indebtedness and for other approved general corporate objectives from time to time
d	Manner of issue of shares	Private Placement
e	Price at which such shares are proposed to be issued	As per Resolution
f	Basis on which the price has been arrived at	Price determined on the basis of valuation by a registered valuer in accordance with the extant provisions as applicable.
g	Terms of issue, including terms and rate of dividend on each share, premium etc.	As per Resolution
h	Terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	As per Resolution

i	Manner and modes of redemption	Out of profit and/or out of fresh issue of capital.												
j	Current shareholding pattern of the Company	Equity Shareholding Pattern as on June 30, 2014*: <table border="1"> <thead> <tr> <th>Category</th> <th>No. of Shares</th> <th>% to Equity Capital</th> </tr> </thead> <tbody> <tr> <td>Promoter</td> <td>161493225</td> <td>71.29</td> </tr> <tr> <td>Public</td> <td>65021521</td> <td>28.71</td> </tr> <tr> <td>Total</td> <td>226514746</td> <td>100.00</td> </tr> </tbody> </table> <p>*Detailed shareholding pattern as on 30.06.2014 on the website of BSE Ltd. i.e. www.bseindia.com and National Stock Exchange of India Ltd. i.e. www.nseindia.com</p>	Category	No. of Shares	% to Equity Capital	Promoter	161493225	71.29	Public	65021521	28.71	Total	226514746	100.00
Category	No. of Shares	% to Equity Capital												
Promoter	161493225	71.29												
Public	65021521	28.71												
Total	226514746	100.00												
k	Expected dilution in equity share capital upon conversion of preference shares	Not applicable.												

The Directors may be deemed to be concerned to the extent of Redeemable Preference Shares that will be offered to them and applied for and allotted to them.

The board commends the special Resolution set out at Item No. 16 of the Notice for approval by the shareholders.

ITEM NO. 17

The Articles of Association ("AoA") of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- existing articles have been streamlined and aligned with the Act;
- the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and

- provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 17 of the Notice.

The Board recommends the Special Resolution set out at Item No. 17 of the Notice for approval by the shareholders.

ITEM NO. 18 & 19

At present, the Authorised Share Capital of the Company is ₹ 225.00 Crore as set out in Clause V of Memorandum of Association of the Company. In order to facilitate the Company to issue further capital for meeting the requirements of additional funds as proposed in the Resolution at Item No. 16, Board recommend that the Authorised Share Capital of the Company be increased from ₹ 225.00 Crore to ₹ 275.00 Crore for which Shareholders approval is required.

The proposed amendment to Clause V of the Memorandum of Association of the Company is consequential to the increase in Share Capital of the Company.

These are enabling resolutions and subject to the necessary compliances, the company will issue new securities.

Board recommends adoption of the said resolutions.

None of the Directors are interested in the resolutions.

Registered Office:

Bhushan Centre, Ground Floor,
Hyatt Regency Complex,
Bhikaji Cama Place, New Delhi-110066
CIN L74899DL1983PLC014942
Website: www.bhushansteel.com

By order of the Board

Sd/
(O. P. Davra)
Vice President (Corporate affairs)
& Company Secretary



BHUSHAN STEEL LIMITED

Registered Office : Bhushan Centre, Ground Floor, Hyatt Regency Complex, Bhikaji Cama Place, New Delhi-110 066.

PROXY FORM

LEDGER FOLIO NO.

DP ID No.* Client ID No*

* Applicable to members holding shares in electronic form.

I/ We of

being a member / members of Bhushan Steel Limited hereby appoint

..... or failing him/ her of

..... as my / our proxy to vote for me/us and on my /our behalf at the 31st Annual General Meeting to be held on Saturday, 20th September, 2014 at 11.00 A.M. or at any adjournment thereof.

Signed this day of August / September, 2014.

Affix a revenue stamp

Signature

NOTE : THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE HOLDING THE AFORESAID MEETING. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

BHUSHAN STEEL LIMITED

Registered Office : Bhushan Centre, Ground Floor, Hyatt Regency Complex, Bhikaji Cama Place, New Delhi-110 066.



ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING VENUE.

LEDGER FOLIO NO.

DP ID No.* Client ID No.*

* Applicable to members holding shares in electronic form.

Member/Proxy Holder Name	Father's / Husband's Name	Signature (s)

I hereby record my presence at the 31st Annual General Meeting of the Company at the Air Force Auditorium, Subroto Park, New Delhi-110010 on Saturday, 20th September, 2014 at 11.00 A.M.

Signature of the Member / Proxy
(To be signed at the time of handing over this slip)

NOTE: SHARE HOLDERS/ PROXY HOLDERS DESIRING TO ATTEND THE MEETING SHOULD BRING HIS/HER COPY OF ANNUAL REPORT FOR REFERENCE AT THE MEETING.