

# 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

**CIN:** L74899DL1983PLC014942 **Website:** www.bhushansteel.com

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 33rd ANNUAL GENERAL MEETING OF THE MEMBERS OF BHUSHAN STEEL LIMITED WILL BE HELD ON SATURDAY, THE 17TH DAY OF SEPTEMBER, 2016 AT 11.00 A.M. AT THE AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI-110010 TO TRANSACT THE FOLLOWING BUSINESSES :**

### ORDINARY BUSINESSES:

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B. B. Singal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. P.K. Aggarwal, who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, the consent of Company be and is hereby accorded for re-appointment of M/s. Mehra Goel & Co., Chartered Accountants (Firm Registration No. 000517N) who shall hold office as Statutory Auditors of the Company for a period of one year from the conclusion of 33rd Annual General Meeting until the conclusion of 34th Annual General Meeting of the Company."

**"RESOLVED FURTHER THAT** Board be and is hereby authorized to fix remuneration of Statutory Auditors of the Company as recommended by the Audit Committee in consultation with the said Auditors, in addition to reimbursement of out of pocket expenses to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

5. To ratify the appointment of Statutory Auditors and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, the appointment of M/s Mehrotra & Mehrotra, Chartered Accountants (Firm Registration No.000226C) as Statutory Auditors of the Company as was made by the Shareholders at the Annual General Meeting of the Company held on 19.09.2015 for a period of 5 years i.e. from 32nd Annual General Meeting to 37th Annual General Meeting be and is hereby ratified for the period of one year i.e. from the conclusion of this Annual General Meeting till the conclusion of next Annual General meeting."

**"RESOLVED FURTHER THAT** Board be and is hereby authorized to fix remuneration of Statutory Auditors of the Company as recommended by the Audit Committee in consultation with the said Auditors, in addition to reimbursement of out of pocket expenses to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

### SPECIAL BUSINESSES:

6. 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 2017**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with 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 Accountants, appointed as Cost Auditors 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, 2017, be paid the remuneration amounting to Rs. 3,00,000/- (Three Lac) 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."

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

### ISSUE OF REDEEMABLE CUMULATIVE PREFERENCE SHARES

**"RESOLVED AS 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 38,50,000 Redeemable Cumulative Preference Shares of Rs. 100/- each to be issued at such rate not exceeding Rs 3000 per share (including maximum premium of Rs. 2900 per share ) for an aggregate amount not exceeding Rs 1155 Cr. as the Board may decide 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 and subject to the following terms and conditions :

- **PREMIUM:** Redeemable Cumulative Preference Shares of Rs. 100 each shall be issued at cash with or without premium provided that premium amount not to exceed Rs.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 Rs 2900/- per share.
- **PUT AND CALL OPTION :** The holder of Preference Shares and the Board / Committee / Company has an option to redeem any one or all 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

## BHUSHAN STEEL LIMITED

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, issue, allotment and utilization of the issue proceeds towards the Company's corporate needs as they may deem fit."

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

### **INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY**

**"RESOLVED THAT** pursuant to provisions of sections 61(1)(a) and 64(1)(a) of the Companies Act, 2013, and the relevant rules formed thereunder and in accordance with the provisions of the Articles of Association of the Company, the authorised Share Capital of the Company be and is hereby increased from Rs. 285,00,00,000 (Rupees Two Hundred Eighty Five Crore) to Rs. 300,00,00,000 (Rupees Three hundred Crore) by creation of 15,00,000 (Fifteen Lac) Preference Shares of Rs. 100/- each."

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

### **AMENDMENT IN MEMORANDUM OF ASSOCIATION**

**"RESOLVED THAT** the consent of the company be and is hereby accorded to substitute the existing clause V of the Memorandum of Association of the Company with the following:

V. "The Authorized Share Capital of the Company is Rs. 300,00,00,000 (Rupees Three Hundred Crores) divided into 40,00,00,000 (Forty Crores) Equity Shares of Rs. 2/- (Rupees Two) each and 220,00,000 ( Two Crore twenty lacs ) Preference Shares of Rs. 100/- (Rupees One Hundred) each."

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

### **RECLASSIFICATION OF STATUS FROM PROMOTERS TO PUBLIC SHAREHOLDERS.**

**"RESOLVED THAT** approval be and is hereby accorded for reclassification of status of Mr. Sanjiv Garg and Mr. Rajiv Garg from Promoters to Public Shareholders as they are neither related to the promoters of the company nor exercising, directly or indirectly any control over the affairs of the Company and they have no other responsibility or association with the Company and they have given their consent in writing for change of status"

**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  
FCS 3036

Dated : 06.08.2016  
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 APPOINTMENT OF PROXY SHALL BE IN THE FORM NO. MGT-11. A BLANK PROXY FORM IS ATTACHED.

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.

- 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. THE COMPANY HAS NOTIFIED CLOSURE OF REGISTER OF MEMBERS AND TRANSFER BOOKS THEREOF FROM WEDNESDAY 14th SEPTEMBER, 2016 TO SATURDAY, 17th SEPTEMBER, 2016 (BOTH DAYS INCLUSIVE) FOR THE PURPOSE OF 33RD ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 17TH SEPTEMBER, 2016.
4. 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.

**ANY CORRESPONDENCE RELATING TO SHARES CAN BE MADE WITH 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**

5. MEMBERS / PROXIES SHOULD FILL THE ATTENDANCE SLIP FOR ATTENDING THE MEETING.
6. 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.
7. 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.
8. 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.

9. 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.
10. PURSUANT TO THE PROVISIONS OF 124 OF THE COMPANIES ACT, 2013 (EARSTWHILE SECTION 205A (5) OF THE COMPANIES ACT, 1956) DIVIDEND FOR THE FINANCIAL YEAR ENDED 31-03-2009 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 31-03-2009 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 19th SEPTEMBER 2015 (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.

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 REGULATION 36(3) OF SEBI (LODR) REGULATIONS 2015 AND CLAUSE 1.2.5 OF THE SS 2 ARE AS UNDER:

#### MR. BRIJ BHUSHAN SINGAL

Date of Birth	20.11.1936																				
Expertise in specific areas	He is a Law Graduate having more than 55 years experience in all functional areas, project conceptualization and planning, Technology evaluation.																				
Qualifications	LL.B.																				
Directorship in other Companies	<table border="0"> <tr> <td>1. Bhushan Steel Limited</td> <td>11. Bhushan Steel Bengal Limited</td> </tr> <tr> <td>2. Bhushan Energy Limited</td> <td>12. Bhushan Steel Madhya Bharat Limited</td> </tr> <tr> <td>3. Bowen Energy Limited</td> <td>13. Shiraj Investment &amp; Finace Ltd.</td> </tr> <tr> <td>4. Benreeza Estates And Investments Pvt. Ltd.</td> <td>14. Bhushan Consumer Electronics Pvt. Ltd.</td> </tr> <tr> <td>5. Kishorilal Shantidevi Charitable Foundation</td> <td>15. Bhushan Energy Trading Pvt. Ltd.</td> </tr> <tr> <td>6. Bhushan Capital &amp; Credit Services Pvt. Ltd.</td> <td>16. Bhushan Exports Pvt. Ltd.</td> </tr> <tr> <td>7. Marsh Capital Serviaces Pvt. Ltd.</td> <td>17. Bhushan Infrastructure Pvt. Ltd.</td> </tr> <tr> <td>8. Parakeet Finvest Pvt. Ltd.</td> <td>18. SRN Mineral &amp; Mining Pvt. Ltd.</td> </tr> <tr> <td>9. Bhushan Steel (Orissa) Limited</td> <td>19. Bhushan Finance Pvt. Ltd.</td> </tr> <tr> <td>10. Bhushan Steel (South) Limited</td> <td>20. NRA Cement Pvt. Ltd.</td> </tr> </table>	1. Bhushan Steel Limited	11. Bhushan Steel Bengal Limited	2. Bhushan Energy Limited	12. Bhushan Steel Madhya Bharat Limited	3. Bowen Energy Limited	13. Shiraj Investment & Finace Ltd.	4. Benreeza Estates And Investments Pvt. Ltd.	14. Bhushan Consumer Electronics Pvt. Ltd.	5. Kishorilal Shantidevi Charitable Foundation	15. Bhushan Energy Trading Pvt. Ltd.	6. Bhushan Capital & Credit Services Pvt. Ltd.	16. Bhushan Exports Pvt. Ltd.	7. Marsh Capital Serviaces Pvt. Ltd.	17. Bhushan Infrastructure Pvt. Ltd.	8. Parakeet Finvest Pvt. Ltd.	18. SRN Mineral & Mining Pvt. Ltd.	9. Bhushan Steel (Orissa) Limited	19. Bhushan Finance Pvt. Ltd.	10. Bhushan Steel (South) Limited	20. NRA Cement Pvt. Ltd.
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Shareholdings in the company as on 31.03.2016	41103391																				
Relationship between the director inter-se	Mr. B. B. Singal is father of Mr. Neeraj Singal, Vice-Chairman & Managing Director.																				
Date of first appointment in the Board	15.01.1987																				

#### MR. P.K. AGARWAL

Date of Birth	29-11-1954										
Expertise in specific areas	He is a Chartered Accountant with more than 37 years experience. Presently he is looking after Commercial and Legal functions of the Company.										
Qualifications	F.C.A.										
Directorship in other Companies	<table border="0"> <tr> <td>1. Bhushan Steel Limited</td> <td>6. Bhushan Finance Pvt. Ltd</td> </tr> <tr> <td>2. Bhushan Steel(Australia) PTY Limited</td> <td>7. Bhushan Placement Services Pvt. Ltd.</td> </tr> <tr> <td>3. Parakeet Finvest Pvt. Ltd.</td> <td>8. Perpetual Securities Private Limited</td> </tr> <tr> <td>4. Bhushan Steel (Orissa) Limited</td> <td>9. Nucleus Steel Private Limited</td> </tr> <tr> <td>5. Bhushan Steel (South) Limited</td> <td>10. Bhushan Capital &amp; Credit Services Pvt. Ltd</td> </tr> </table>	1. Bhushan Steel Limited	6. Bhushan Finance Pvt. Ltd	2. Bhushan Steel(Australia) PTY Limited	7. Bhushan Placement Services Pvt. Ltd.	3. Parakeet Finvest Pvt. Ltd.	8. Perpetual Securities Private Limited	4. Bhushan Steel (Orissa) Limited	9. Nucleus Steel Private Limited	5. Bhushan Steel (South) Limited	10. Bhushan Capital & Credit Services Pvt. Ltd
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Shareholdings in the company as on 31.03.2016	444										
Relationship between the director inter-se	NIL										
Date of first appointment in the Board	30.04.2004										

14. ELECTRONIC COPY OF THE ANNUAL REPORT FOR 2015-16 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 2015-16 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 2015-16 TO ENABLE THEM TO CAST THEIR VOTES THROUGH E-VOTING. THE FACILITY FOR VOTING THROUGH POLLING PAPER SHALL BE MADE AVAILABLE AT THE AGM AND THE MEMBERS ATTENDING THE MEETING WHO HAVE NOT CAST THEIR VOTE BY REMOTE E-VOTING SHALL BE ABLE TO EXERCISE THEIR RIGHT AT THE MEETING THROUGH BALLOT PAPER. MR. R.S. BHATIA, COMPANY SECRETARY IN PRACTICE WILL ACT AS THE SCRUTINIZER IN THE POLL PROCESS.
17. PURSUANT TO THE PROVISIONS OF SECTION 72 OF THE COMPANIES ACT, 2013, THE MEMBERS HOLDING SHARES IN PHYSICAL FORM MAY NOMINATE, IN THE PRESCRIBED MANNER, A PERSON TO WHOM ALL THE RIGHTS IN THE SHARES SHALL VEST IN THE EVENT OF DEATH OF THE SOLE HOLDER OR ALL THE JOINT HOLDERS. MEMBERS (S) HOLDING SHARES IN DEMAT FORM MAY CONTACT THEIR RESPECTIVE DP FOR AVAILING THIS FACILITY.
18. THE REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND THEIR SHAREHOLDING MAINTAINED UNDER SECTION 170 OF THE COMPANIES ACT, 2013, THE REGISTER OF CONTRACTS OR ARRANGEMENTS IN WHICH DIRECTS ARE INTERESTED UNDER SECTION 189 OF THE COMPANIES, ACT, 2013 AND THE CERTIFICATE FROM AUDITORS OF THE COMPANY WILL BE AVAILABLE FOR INSPECTION AT THE ANNUAL GENERAL MEETING.

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

**ITEM NO. 6:**

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, 2017.

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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

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. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

**ITEM NO. 7:**

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	38,50,000 Redeemable Cumulative Preference Shares of Rs. 100/- each to be issued at such rate not exceeding Rs 3000/- per share (including maximum premium @ Rs 2900/- per share ) for an amount not exceeding Rs 1155 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 including redemption of outstanding preference shares.
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	Valuation of Preference Shares for price determination is not possible however the preference shares will be issued and redeemed on the same price.
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, 2016\*:

Category	No. of Shares	% to Equity Capital
Promoter	133753206	59.05
Public	92761540	40.95
Total	226514746	100.00

\*Detailed shareholding pattern as on 30.06.2016 is available on the website of BSE Ltd. i.e. www.bseindia.com and National Stock Exchange of India Ltd. i.e. www.nseindia.com and Company's website www.bhushansteel.com.

k Expected dilution in equity share capital upon conversion of preference shares Not applicable.

Mr. B. B. Singal and Mr. Neeraj Singal being the promoter director of the Company are concerned/interested to the extent of Redeemable Preference Shares that will be offered to them and applied for and allotted to them. No other Director, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 7 of the Notice.

The board recommends the special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

#### ITEM NO. 8 & 9

At present, the Authorised Share Capital of the Company is Rs. 285.00 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. 7, Board recommend that the Authorised Share Capital of the Company be increased from Rs. 285.00 Crore to Rs. 300.00 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.

No other Director, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 8 & 9 of the Notice.

#### ITEM NO. 10

Mr. Sanjiv Garg and Mr. Rajiv Garg are presently part of Promoter's Group as reported in the shareholding pattern dated June 30, 2016 submitted with BSE and NSE. They intimated vide their letter dated 26.07.2016 to the Board of directors that they are not interested in continuing their association with the Company as promoters and requested to exclude their name from the category of Promoters.

Since Mr. Sanjiv Garg and Mr. Rajiv Garg are neither related to the promoters of the company nor exercising, directly or indirectly any control over the affairs of the Company individually and they have no other responsibility or association with the Company therefore the Board recommended for Members approval for reclassification of status of their shareholding from Promoters to Public Shareholding.

As per provisions of regulation 31A(6) of SEBI(LODR) Regulations 2015, shareholders approval is required for shifting the status of PACs from promoters group to public category.

No other Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the Resolution.

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

**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  
FCS 3036

Dated : 06.08.2016  
Place : New Delhi





## BHUSHAN STEEL LIMITED

**Reg. Office:** Bhushan Centre , Ground Floor, Hyatt Regency Complex, Bhikaji Cama Place, New Delhi-110 066.  
Tel.:91-11-71194000 Fax : 91-11-26478750 E-mail :bsl@bhushansteel.com CIN :L74899DL1983PLC014942

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of The Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :  
Registered Address :  
E-mail Id :  
Folio No./ DP ID-Client ID No. :

I/ We, being the Member(s) of ..... shares of the above named Company, hereby appoint:

- (1) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;
- (2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;
- (3) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 33rd Annual General Meeting of the Company, to be held on Saturday , the 17th September, 2016 at 11.00 A. M. at Air Force Auditorium, Subroto Park, New Delhi-110010 and at any adjournment thereof in respect of the following resolutions:

Sr. No.	Resolutions	Optional*	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon		
2.	Appointment of a Director in place of Mr. B. B. Singal, who retires by rotation and being eligible, offers himself for reappointment		
3	Appointment of a Director in place of Mr. P. K. Aggarwal, who retires by rotation and being eligible, offers himself for reappointment.		
4	Re-appointment of M/s. Mehra Goel & Co as Statutory Auditors.		
5	Ratify the appointment of M/s Mehrotra & Mehrotra as Statutory Auditors		
<b>Special Business</b>			
6	Approval of remuneration of the Cost Auditors for the Financial Year ending 31st March 2017		
7	Issue of Redeemable Cumulative Preference Shares.		
8	Increase in Authorised Share Capital of the Company.		
9	Approval of Amendment in Memorandum of Association.		
10	Reclassification of Status from Promoters to Public Shareholders		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of Shareholders.....

Signature of proxy holder(s).....

Affix a  
Revenue  
Stamp

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- A Proxy need not be a member of the Company.
- \* This is only optional. Please put a `√' in the appropriate column against the resolutions indicated in the Box. If you leave the `For' or `Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of jointholders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

## BHUSHAN STEEL LIMITED

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Tel.:91-11-71194000 Fax : 91-11-26478750 E-mail :bsl@bhushansteel.com CIN :L74899DL1983PLC014942



### 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 33<sup>rd</sup> Annual General Meeting of the Company at the Air Force Auditorium, Subroto Park, New Delhi-110010 on Saturday, 17<sup>th</sup> September, 2016 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.