



ELECTROSTEEL CASTINGS LIMITED

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

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

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

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

NOTICE

Notice is hereby given that the Fifty-Ninth Annual General Meeting of Electrosteel Castings Limited will be held at the Registered Office of the Company at Rathod Colony, P.O.Rajgangpur, District Sundergarh, Odisha 770 017 on Thursday, the 28th day of August, 2014 at 11:30 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, Statement of Profit and Loss for the Financial Year ended on that date and Cash Flow Statement for the Financial Year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To consider declaration of dividend by the Company, as recommended by the Board of Directors for the Financial Year ended March 31, 2014.
3. To appoint a Director in place of Mr. Shermadevi Yengnaswami Rajagopalan, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Vyas Mitre Ralli, who retires by rotation and is eligible for re-appointment.
5. Appointment of Statutory Auditors:

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendations of the Audit Committee, M/s. Lodha & Company, Chartered Accountants, (firm registration No. 301051E), be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 62nd Annual General Meeting to be held in the year 2017, (subject to the ratification of their appointment by Members at every AGM held after this AGM) and the Board of Directors of the Company be and are hereby authorised to fix their remuneration plus other applicable expenses in connection with statutory audit and/or continuous audit and also such other remuneration, as may be decided by the Board/Committee of the Board, for performing the duties other than those referred to hereinabove and the remuneration so fixed may be paid at such intervals during the year as may be decided by the Board/Committee of the Board."

SPECIAL BUSINESS:

6. Re-appointment of Mr. Vyas Mitre Ralli as a Wholetime Director for a term of five years

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to Sections 149, 152, 196 and 197 of the Companies Act, 2013 and Schedule V read together with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), re-enactment thereof for the time being in force) approval of the Company be and is hereby accorded for the re-appointment of Mr. Vyas Mitre Ralli (DIN:02892446) as a Wholetime Director of the Company for a further period of (5) five years with effect from December 21, 2014 on the remuneration and terms and conditions as set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the Board 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."

7. Re-appointment of Mr. Mahendra Kumar Jalan as a Wholetime Director for a term of five years

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant to Sections 149, 152, 196 and 197 of the Companies Act, 2013 and Schedule V read together with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), re-enactment thereof for the time being in force) approval of the Company be and is hereby accorded for the re-appointment of Mr. Mahendra Kumar Jalan, (DIN: 00311883) as a Wholetime Director of the Company for a further period of (5) five years with effect from January 22, 2015 on the remuneration and terms and conditions as set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the Board 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."

8. Increase in remuneration of Mr. Umang Kejriwal, Managing Director of the Company

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:*

"RESOLVED THAT in partial modification of the earlier resolutions passed on July 11, 2011 and pursuant to Sections 197 and 198 of the Companies Act, 2013 and Schedule V read together with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, subject to the approval of Central Government, if so required, the consent of the Company be and is hereby accorded for increase in remuneration of Mr. Umang Kejriwal, Managing Director of the Company with effect from April 1, 2014 for the remaining tenure of 3 years at the remuneration, perquisites and other benefits and upon the terms and conditions as set out herein below :

- i. **Salary:** Rs. 12,50,000/- per month
- ii. **Commission:** Commission on net profits as may be decided by the Board of Directors for each Financial Year based on the net profit of that year and taking into account all other factors.
- iii. **Perquisites and Amenities:**
 - a. **Medical Benefit:** Reimbursement of actual expenses incurred for self and family.
 - b. **Leave:** As per applicable Rules of the Company.
 - c. **Accommodation:** The Company shall provide free furnished residential accommodation and also pay all rents, rates, taxes, electricity, fuel charges, water charges and all other expenses for the upkeep and maintenance thereof.
 - d. **Club Fees:** Fees of a maximum of two clubs excluding admission & life membership fees.
 - e. **Car and Telephone:** The Company shall provide a car with chauffeur and telephone at the residence of the Managing Director for use on the Company's business. These will not be considered as perquisites. However, personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.
 - f. **Personal Accident & Term Insurance:** Premium not to exceed Rs. 15,000/- per annum
 - g. **Encashment of Leave:** In accordance with the Company's Rules & Regulations.
 - h. **Contribution to Retiral Benefit Funds:** (i) Provident Fund - The Company's contribution to Provident Fund as applicable to other employee. (ii) Gratuity Fund - Gratuity in accordance with the Gratuity Fund Rules.
 - i. **Leave Travel Concession:** Return passage for self and family in accordance with the Rules specified by the Company. For the purpose of calculation of such monetary value, the perquisites shall be valued as per Income Tax Rules, wherever applicable and in the absence thereof, at cost. Explanation : For the purpose of eligibility of perquisites "family" means the spouse, the dependant children and dependant parents of the Managing Director.
 - j. **Entertainment, Travelling and other Expenses:** Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company.
 - k. **Minimum Remuneration:** In the event of absence or inadequacy of profits of the Company in any financial year Managing Director will be entitled to receive such minimum remuneration as is permissible under Section II of Part II of Schedule V to the Companies Act, 2013."

9. Approval for payment of outstanding remuneration payable to Mr. Uddhav Kejriwal

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:*

"RESOLVED THAT approval of the Shareholders of the Company, be obtained for payment of outstanding House Rent Allowance to Mr. Uddhav Kejriwal, Wholetime Director of the Company amounting to Rs.9,30,000/- (Rupees Nine Lacs Thirty Thousand Only) for the period from June 1, 2011 till March 31, 2013."

10. Appointment of Mr. Pradip Kumar Khaitan as an Independent Director of the Company for a term of five years

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and relevant Rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, read together with Schedule IV to the said Act, Mr. Pradip Kumar Khaitan (DIN:00004821), a Non-Executive Director of the Company, who has submitted a declaration of independency under Section 149 of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director and be designated as the Chairman of the Company to hold office for a term of five consecutive years with effect from August 28, 2014."

11. Appointment of Mr. Binod Khaitan as an Independent Director of the Company for a term of five years

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions; if any, of the Companies Act, 2013 ("the Act") and the relevant Rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, read together with Schedule IV to the said Act, Mr. Binod Khaitan (DIN:00128502), a Non-Executive Director of the Company, who has submitted a declaration of independency under

Section 149 of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company and to hold office for a term of five consecutive years with effect from August 28, 2014."

12. Appointment of Mr. Naresh Chandra as an Independent Director of the Company for a term of five years

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the relevant Rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, read together with Schedule IV to the said Act, Mr. Naresh Chandra (DIN:00015833), a Non-Executive Director of the Company, who has submitted a declaration of independency under Section 149 of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company and to hold office for a term of five consecutive years with effect from August 28, 2014."

13. Appointment of Dr. Jamshed Jiji Irani as an Independent Director of the Company for a term of five years

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the relevant Rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, read together with Schedule IV to the said Act, Dr. Jamshed Jiji Irani (DIN:00311104), a Non-Executive Director of the Company, who has submitted a declaration of independency under Section 149 of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company and to hold office for a term of five consecutive years with effect from August 28, 2014."

14. Appointment of Mr. Bhaskara Nageswararao Mandavilli as an Independent Director of the Company for a term of five years

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the relevant Rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, read together with Schedule IV to the said Act, Mr. Bhaskara Nageswararao Mandavilli (DIN:00287260), a Non-Executive Director of the Company, who has submitted a declaration of independency under Section 149 of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company and to hold office for a term of five consecutive years with effect from August 28, 2014."

15. Approval for payment of Commission to Non-Executive Directors of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, a sum not exceeding one percent per annum of the net profits of the Company, computed in the manner referred to in sub-section (1) of Section 198 of the Companies Act, 2013, be paid to and distributed amongst the Directors of the Company or some or any of them, as commission (other than Managing/ Whole-time Directors, if any, for the time being of the Company), in such amounts or proportions and in such manner and in all respects as may be directed and decided by Board of Directors within the ceiling of 1% (one percent) and such payments shall be made in respect of the profits of the Company for each year for a period of 5 years commencing from April 1, 2014".

16. Ratification for remuneration to be paid to M/s S. G. & Associates as Cost Auditors of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"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), Cost Auditors, M/s S. G. & Associates, a firm of Cost Accountants, 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 of Rs.1,00,000 (Rupees One Lac Only) plus reimbursement of out of pocket expenses and service tax payable.

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."

17. Approval for holding of office or place of profit by Ms. Radha Kinkari Kejriwal, a relative of Director, under Section 188 of the Companies Act, 2013

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013 and any other applicable rules and regulations thereto, if any, consent of the Company be and is hereby accorded, for appointment of Ms. Radha Kinkari Kejriwal, a relative of Mr. Umang Kejriwal, Managing Director of the Company, to hold office or place of profit in Electrosteel Steels Limited, an Associate Company of the Company as an 'officer on special duty' at a remuneration of Rs. 80,00,000 (Rupees Eighty Lacs only) per annum with effect from April 1, 2014 with increase of Rs.10,00,000 (Rupees Ten Lacs only) per annum (i.e Rs. 90,00,000 (Rupees Ninty Lacs only) per annum with effect from April 1, 2015 and Rs.1,00,00,000 (Rupees One Crore only) per annum with effect from April 1, 2016) and as per such terms and conditions as may be decided by the Board of Electrosteel Steels Limited, an Associate Company of the Company."

18. To approve offer or invitation to subscribe to Non-Convertible Debentures on Private Placement Basis

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read together 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 Rs. 300 crore (Rupees Three Hundred Crore), on private placement basis, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said Debentures 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."

19. Approval for entering into transactions with Related Party (ies)

*To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special resolution**:*

"RESOLVED THAT pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013 and any other applicable rules and regulations thereto, consent of the Company be and is hereby accorded, for entering into the related party transactions with Electrosteel Steels Limited as given below, and such other transactions as required in connection to efficiently carry out the operations of the Company from April 1, 2014 till September 30, 2015.

A) Purchases & Services to be received (Limit of Rs. 1000 Crore from April 1, 2014 till September 30, 2015)

- a) Purchase of DI Pipes & Fittings, Pig Iron, TMT bars, Wire Rods, Billets, Coal/ Coke, MS Scrap or any other goods.
- b) Conversion of coal into coke
- c) All other types of services to be received

B) Sales & Services to be rendered (Limit of Rs. 1000 Crore from April 1, 2014 till September 30, 2015)

- a) Sale of Coal / Coke of different varieties including coal rejects, midlinks etc.
- b) Sale of Iron-ore and other raw materials or ancillary items
- c) Rent agreements for hiring of space of any type in connection with the business of the Company (not exceeding in aggregate of Rs. 5 crore within the aggregate limit as mentioned above)
- d) All types of services to be rendered in connection with the business of the Company (not exceeding in aggregate of Rs. 500 crore within the aggregate limit as mentioned above)

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

May 10, 2014
Kolkata

**Sd/-
Kavita Bhavsar
Company Secretary**

NOTES:

- (a) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors are also annexed.
- (b) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
- (c) As per Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of the members not exceeding fifty (50) and holding in aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- (d) Corporate Members/FIIs/Financial Institutions intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution/such other documents authorizing their representative to attend and vote on their behalf at the AGM well in advance. It is advisable that the Proxy holder's signature may be furnished in the Proxy Form for identification purpose.
- (e) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 22nd day of August, 2014 to Thursday, the 28th day of August, 2014 (both days inclusive) for the purpose of payment of dividend for the Financial Year ended March 31, 2014 and the AGM.
- (f) The dividend on Equity Shares for the Financial Year ended March 31, 2014, as recommended by the Board, if approved, by the Members will be paid within a period of thirty days (30) from the date of declaration of dividend, to those members whose names appear in the Register of Members of the Company as on the close of business hours on Thursday, 21st day of August, 2014.
- (g) The Unclaimed dividend upto Financial Year 2006-07 has been transferred by the Company to the Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 205A & 205C of the Companies Act, 1956. Members who have not encashed their dividend in respect of subsequent years are requested to check with the Company's Registered Office at Rathod Colony, Rajgangpur, District Sundergarh, Odisha - 770 017. Members are requested to note that in terms of Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956) any dividend unpaid / unclaimed for a period of 7 years from the date when it first became due for payment is required to be transferred to the IEPF of the Central Government. Thereafter, no claim shall be entertained in respect of the dividend transferred to the Fund. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 22, 2013 (date of last AGM) on the website of the Company (www.electrosteel.com) as well as on the website of Ministry of Corporate Affairs.
- (h) Members desirous of getting any information in respect of the Accounts of the Company are requested to send their queries in writing to the Company at the Registered Office so as to reach at least 7 days before the date of the meeting so that the required information can be made available at the meeting. Members /Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting as also the Attendance Slip duly filled in for attending the meeting.
- (i) Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013, has mandated usage of electronic mode for making payments such as dividend, etc to the investors of Companies whose securities are listed on the Stock Exchanges. Payment of dividend through electronic mode is beneficial to the Members since the risks associated with receiving payment through dividend warrants such as loss in transit/ misplacement /revalidation etc. can be easily mitigated. Therefore, Shareholders are requested to provide particulars of their bank account details for availing 'National Electronic Clearing Service' (NECS) facility. Further, ECS facility is also available to the beneficial owners of shares in demat form. Those desirous of availing the facility may provide their mandate for physical holding to the Company and for demat holding to their DP in writing.
- (j) Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with Pin Code of the Post Office, mandate, bank particulars and Permanent Account Number (PAN) to the Company's Registrar and Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
- (k) Members holding shares in physical form and wishing to make/change a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit the prescribed particulars in Form SH 13 and SH 14 accordingly, to the Corporate Office of the Company. The said forms are available on the website of the Company.
- (l) The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialise their shareholding in the Company for which they may contact the Depository Participant of either of the above Depositories. The Equity Shares of the Company are compulsorily required to be traded in dematerialized form by all Investors.
- (m) The Ministry of Corporate Affairs, Government of India, pursuant to its Green Initiative in Corporate Governance, has permitted under Section 20 of the Companies Act, 2013, the service of documents including the Annual Report consisting of Notice, Accounts and other relevant Reports through the electronic mode. Copies of the Annual Report

2014, notice of the AGM along with attendance slip, proxy form and instructions for e-voting are being sent by electronic mode only to those members whose e-mail addresses are registered with the Company/ Depositories Participants for communication purposes unless any member has requested for a hard copy of the same. Shareholders holding shares in physical/dematized form are requested to register/update their e-mail addresses with the Company's Registrar and Share Transfer Agent, i.e. M/s. Maheshwari Datamatics Private Limited, 6, Mangoe Lane, 2nd Floor, Kolkata-700001 at mdpl@cal.vsnl.net.in or with the Company at kavita.bhavsar@electrosteel.com or the concerned Depositories through their Depository Participant. In absence of e-mail address, the documents will be sent in physical mode.

- (n) The Notice along with Annual Report for the Financial Year 2013-14 will also be available on the Company's Website www.electrosteel.com for download.
- (o) 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 the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection at the Company's Registered Office during normal business hours on working days upto the date of AGM.
- (p) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 read together with Clause 35B of the Listing Agreement, the members are provided with the facility to cast their vote electronically, through e-voting services provided by NSDL, on all resolutions set forth in this Notice.

PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

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

C) PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING

1. A Member desiring to exercise vote by Ballot may complete this Ballot Form and send it to the Scrutinizer in the enclosed self addressed Business Reply Envelope. Postage will be borne and paid by the Company.
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of the Directors of the Company.
3. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member.
4. Unsigned, incomplete, incorrect Forms will be rejected.
5. Members may not use all their votes and may not cast all their votes in the same way.
6. Duly completed Ballot Forms should reach the Scrutinizer before 6:00 p.m. IST on Saturday, 23rd day of August, 2014. All Ballot Forms received after this date will be treated as if reply from such Member has not been received.
7. A Member may request for a duplicate Ballot form if so required. However, the duly filled in duplicate Ballot Form should reach the Scrutinizer not later than the date specified at item no. 6 above.

8. In case the Ballot Form is signed by an Authorized representative of a Body Corporate, Trust, Societies or any other entity, a certified true copy of the Board resolution or a specific authorization of such other entity as the case may be giving requisite authority to the person voting on the Ballot Form should accompany the Ballot Form.
9. The consent must be accorded by recording the assent in the Column 'FOR' and dissent in the Column 'AGAINST' by placing a tick mark (✓) in the appropriate column.
10. There shall be one ballot for every Folio/DP ID & Client ID irrespective of the number of joint holders.
11. Members are requested not to send any other paper alongwith the Ballot Form in the enclosed self-addressed envelope in as much as all such envelopes will be sent to the Scrutinizer and any extra paper found in such envelope would be destroyed by the Scrutinizer.

D) Other General Instructions:

- (i) The e-voting period commences on Thursday, August 21, 2014 (9.00 a.m. IST) and ends on Saturday, August 23, 2014 (6.00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 11, 2014, may cast their vote electronically.
- (ii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on July 11, 2014.
- (iii) The Board of Directors has appointed Ms. Rashmi Bihani of M/s Bihani Rashmi & Company, Practicing Chartered Accountant as the Scrutinizer to scrutinize the voting process (voting through Ballot as well as e-voting) in a fair and transparent manner.
- (iv) Members who do not have access to e-voting facility may send duly completed Ballot Form so as to reach the Scrutinizer M/s Bihani Rashmi & Company, at the Corporate Office of the Company at 19, Camac Street, Kolkata-700017, not later than Saturday, August 23, 2014 (6.00 p.m. IST).
- (v) Members have the option to request for physical copy of the Ballot Form by sending an e-mail to kavita.bhavsar@electrosteel.com or payal.bhimrajka@electrosteel.com by mentioning their Folio No. / DP ID and Client ID No.
- (vi) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- (vii) The Scrutinizer's decision on the validity of a Ballot Form/e-voting shall be final.
- (viii) The Scrutinizer will submit her report to the Chairman or in his absence to any Director or the Company Secretary of the Company after completion of the scrutiny.
- (ix) The result of voting will be announced at the Registered Office of the Company situated at Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha-770 017, by the Chairman of the Meeting at the AGM to be held on August 28, 2014.
- (x) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.electrosteel.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- (xi) In case you have any queries or issues regarding e-voting, please contact the Company or Registrar & Share Transfer Agent or send mail to kavita.bhavsar@electrosteel.com or payal.bhimrajka@electrosteel.com
- (xii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

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

May 10, 2014
Kolkata

**Sd/-
Kavita Bhavsar
Company Secretary**

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

Information pursuant to Clause 49 of the Listing Agreement regarding reappointment/appointment of Directors

Disclosure in terms of clause 49(iv)(g)(ia) of the Listing Agreement.

The Directors to be reappointed/ appointed are not inter-se related.

Item No. 3

Mr. S. Y. Rajagopalan

Mr. Rajagopalan, aged 80 years, a Non-Executive Director of the Company would retire by rotation in terms of Section 152 of the Companies Act, 2013, and he is eligible for reappointment. He is a qualified Chartered Accountant and Company Secretary. He worked as a Wholetime Director of the Company from 1988 to 2007 and retired on August 9, 2007. Thereafter he was appointed as Non-Executive Director of the Company with effect from January 23, 2010. He has extensive experience in corporate and related laws and finance affairs. He holds 5,100 equity shares of the Company.

He is also a Director on the Board of Lanco Industries Limited.

Item No. 4 & 6

Mr. Vyas Mitre Ralli

Mr. V.M.Ralli, aged 67 years, a Wholetime Director of the Company would retire by rotation in terms of Section 152 of the Companies Act, 2013, and he is eligible for reappointment. He was appointed as a Wholetime Director on December 21, 2009. The tenure of Mr. Ralli, as a Wholetime Director of the Company would expire on December 20, 2014. The Board of Directors has re-appointed Mr. Ralli as a Wholetime Director of the Company for a further period of 5 years effective from December 21, 2014 on the terms and conditions as set out below, subject to the approval of the shareholders of the Company. As Mr. Ralli would be attaining the age of seventy during his tenure of five years, so a Special Resolution is being passed.

Mr. Ralli is a qualified B.Tech (Hons.) in Metallurgical Engineering from Indian Institute of Technology, Kharagpur. He joined our Company in April 1972 and currently is in-charge of Plants at Khardah and Haldia. He also oversees the production and development related activities at Lanco Industries Limited, an Associate Company. He holds 15,000 Equity Shares of the Company.

Proposed Remuneration of Mr. Ralli : (From December 21, 2014 to December 20, 2019)

- i. Salary: Rs. 3,30,000 per month in the grade of 3,30,000-25,000-4,30,000.
- ii. Special Allowance: Rs. 4,93,500 per month.
- iii. Perquisites and Amenities:
 - a. Medical Benefits: Reimbursement of expenses for self and family in accordance with the rules specified by the company.
 - b. Leave: As per applicable Staff Rules of the Company
 - c. Housing: Residential accommodation including electricity (or House Rent Allowance in lieu thereof not exceeding 60% of the salary)
 - d. Club Fees: Fees of a maximum of two clubs excluding admission & life membership fees
 - e. Car and Telephone: Provision of a car for use on Company's business and telephone at residence. These will not be considered as perquisites. However, personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.
 - f. Personal Accident & Term Insurance Premium: not to exceed Rs. 10,000 per annum.
 - g. Mediciam Policy: Mediciam Policy to be taken as per applicable Staff Rules of the Company.
 - h. Encashment of Leave: In accordance with the Company's Rules and Regulations.
 - i. Contribution to Retiral Benefit Funds: The Company's contribution to Provident Fund as applicable to other employees Company's contribution to Superannuation Fund which together with contribution to Provident Fund shall not exceed 25% of the Salary. Gratuity in accordance with the Gratuity Fund Rules.
 - j. Leave Travel Concession: Return passage for Mr. Ralli and his family in accordance with the Rules specified by the Company.
 - k. Minimum Remuneration: In the event of absence or inadequacy of profits of the Company in any financial year, Mr. Ralli will be entitled to receive such minimum remuneration as is permissible under Section II of Part II of Schedule V to the Companies Act, 2013.

For the purpose of calculation of such monetary value, the perquisites shall be valued as per Income Tax Rules, wherever applicable and in the absence thereof, at cost.

For the purpose of eligibility of perquisites "family" means the spouse, the dependant children and dependant parents of the Wholetime Director.

Mr. Ralli does not hold directorship in any other Company.

Except Mr. Ralli none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item no. 4 & 6.

Item No. 7:

Mr. Mahendra Kumar Jalan, aged 62 years, was appointed as a Wholtime Director on January 22, 2010. The tenure of Mr. Jalan, as a Wholtime Director of the Company would expire on January 21, 2015. The Board of Directors has re-appointed Mr. Jalan as a Wholtime Director of the Company for a further period of 5 years effective from January 22, 2015 on the terms and conditions as set out below, subject to the approval of the shareholders of the Company.

Mr. Jalan is a B.Tech (3rd Year) and had joined the Company as Commercial Manager in 1981. In 1993, he was given the responsibility of setting up the Export Department for export of DI pipes. After achieving this objective, he was given additional responsibility of looking after domestic sales and marketing in 2003. Currently Mr. Jalan looks after the Company's marketing strategies. Mr. Jalan holds 1,750 Equity Shares in the Company.

Proposed Remuneration of Mr. Jalan: (From January 22, 2015 to January 21, 2020)

- i. Salary: Rs. 3,30,000 per month in the grade of 3,30,000-25,000-4,30,000
- ii. Special Allowance: Rs. 5,33,150 per month in the grade of 5,33,150-3,250 5,46,150
- iii. Perquisites and Amenities:
 - a. Medical Benefits: Reimbursement of expenses for self and family in accordance with the rules specified by the Company.
 - b. Leave: As per applicable Staff Rules of the Company
 - c. Housing: Residential accommodation including electricity (or House Rent Allowance in lieu thereof not exceeding 60% of the salary)
 - d. Club Fees: Fees of a maximum of two clubs excluding admission & life membership fees
 - e. Car and Telephone: Provision of a car for use on Company's business and telephone at residence. These will not be considered as perquisites. However, personal long distance calls on telephone and use of car for private purpose shall be billed by the Company
 - f. Personal Accident & Term Insurance Premium: not to exceed Rs. 10,000 per annum
 - g. Mediclaim Policy: Mediclaim Policy to be taken as per applicable Staff Rules of the Company
 - h. Encashment of Leave: In accordance with the Company's Rules and Regulations
 - i. Contribution to Retiral Benefit Funds: The Company's contribution to Provident Fund as applicable to other employees. Gratuity in accordance with the Gratuity Fund Rules.
 - j. Leave Travel Concession: Return passage for Mr. Jalan and his family in accordance with the Rules specified by the Company
 - k. Minimum Remuneration: In the event of absence or inadequacy of profits of the Company in any financial year, Mr. Jalan will be entitled to receive such minimum remuneration as is permissible under Section II of Part II of Schedule V to the Companies Act, 2013.

For the purpose of calculation of such monetary value, the perquisites shall be valued as per Income Tax Rules, wherever applicable and in the absence thereof, at cost.

For the purpose of eligibility of perquisites "family" means the spouse, the dependant children and dependant parents of the Whole time Director.

Mr. Jalan holds directorship and membership of the Committees of Board of Directors of the under stated other companies in India:

Directors in Pekon Properties & Enclave Private Limited, Eeshwar Fiscal Services Private Limited, Alkan Fiscal Services Private Limited and Three C Apartment Owners Association.

Except Mr. Jalan none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item no. 7.

Item No. 8:

Mr. Umang Kejriwal was reappointed as Managing Director of the Company with effect from April 1, 2012 by the Shareholders of the Company at their meeting held on July 11, 2011 at a remuneration as mentioned therein.

In view of the scale of operations of the Company having increased manifold in last 2 years, your Board of Directors at their meeting held on May 10, 2014 has, on the recommendation of the Nomination & Remuneration Committee of the Company and subject to the approval of the Shareholders of the Company, revised the remuneration of Mr. Umang Kejriwal with effect from April 1, 2014 for the remaining tenure of his office as Managing Director, to make his remuneration compatible with his services. It is proposed to seek the members' approval for increase in terms of the applicable provisions of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in item no. 8 except Mr. Umang Kejriwal, being the concerned person and Mr. Mayank Kejriwal being his relative to the extent of their employment and total shareholding in the Company.

Item No. 9

Mr. Uddhav Kejriwal was reappointed as a Wholtime Director of the Company at a revised remuneration for a period of five years commencing from June 16, 2013 at the AGM of the Company held on September 07, 2012. One of the components of his remuneration was payment of House Rent Allowance (HRA) which was upto 60% of the Basic Salary. However, HRA paid to Mr. Uddhav Kejriwal for the period from June 1, 2011 till March 31, 2013 was less by Rs.9,30,000/- (Rupees Nine

Lacs Thirty Thousand Only) as compared to the remuneration approved by the Shareholders. The said outstanding HRA was paid during the year ended March 31, 2014. Hence the same is placed again for the approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in item no. 9 except Mr. Uddhav Kejriwal, being the concerned person and Mr. Mayank Kejriwal being his relative to the extent of their employment and total shareholding in the Company.

Item No. 10 to 14 :

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Pradip Kumar Khaitan, Mr. Binod Khaitan, Mr. Naresh Chandra, Dr. Jamshed Jiji Irani and Mr. Bhaskara Nageswararao Mandavilli as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

The Nomination and Remuneration Committee has recommended the appointment of these Directors as Independent Directors for a period of five consecutive years with effect from August 28, 2014.

Mr. Pradip Kumar Khaitan, Mr. Binod Khaitan, Mr. Naresh Chandra, Dr. Jamshed Jiji Irani and Mr. Bhaskara Nageswararao Mandavilli, Non-Executive Directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 of the Act. In the opinion of the Board, each of these Directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director and they are independent of the management. Notices have been received from Members proposing candidature of the above directors for the office of Independent Directors of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these resolutions.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of these Directors as Independent Directors is now being placed before the Members for their approval.

These Explanatory Statements may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during 11.00 A.M. to 06.00 P. M. on any working day, excluding Saturday upto the date of AGM.

A brief profile of the Independent Directors to be appointed is given below:

Item No. 10 :

Mr. Pradip Kumar Khaitan is an Independent Director of the Company. He is a B.Com, L.L.B., Attorney-at-law (Gold Medallist). He has been on the Board of the Company since 1972. As a leading and eminent Solicitor and Advocate, he has extensive experience in the fields of Commercial and Corporate Laws, Tax Laws, Arbitration, Foreign Collaborations, Mergers & Acquisitions, Restructuring and De-mergers. He is a member of Bar Council of India, The Bar Council of West Bengal, Incorporated Law Society, Indian Council of Arbitration and is connected with Educational Institutions and Social Organisations. He is a partner of Khaitan and Co., Advocates and Solicitors. Mr. Khaitan holds 1,000 Equity Shares in the Company.

Mr. Khaitan is a Director of CESC Limited, Dalmia Bharat Limited, Dhunsheri Petrochem & Tea Limited, Gillanders Arbuthnot & Co. Limited, Graphite India Limited, Hindustan Motors Limited, India Glycols Limited, OCL India Limited, Pilani Investment & Industries Corporation Limited, Woodlands Multispeciality Hospital Limited, TCPL Packaging Limited, Visa Steel Limited and Emami Limited.

He is a member of Audit Committee of Pilani Investment & Industries Corporation Limited.

Item No. 11 :

Mr. Binod Khaitan is an Independent Director of the Company. He is a B. Com. and M.B.A (Geneva). He has wide experience in industries such as plywood, tea, jute, tyre, tube etc. Presently he is associated with various charitable and social organisations like Rotary Club, Vivekanand Kendra etc. He has been on the Board of our Company as an Independent Director since 1975. Mr. Khaitan holds 2,000 Equity Shares in the Company.

Mr. Khaitan is a Director of Phosphate Co. Limited and Adelina Investments Pvt. Limited.

Item No. 12:

Mr. Naresh Chandra is an Independent Director of the Company. He has Masters' degree in Mathematics from Allahabad University. A former Civil Servant, he joined the Indian Administrative Services in 1956 and has served as Chief Secretary in Rajasthan, Commonwealth Secretariat Advisor on Export Industrialisation and Policy in Colombo (Sri Lanka), Advisor to the Government of Jammu and Kashmir, and successively Secretary to the Ministries of Water Resources, Defence, Home and Justice in the Government of India.

In December 1990, he became Cabinet Secretary, the highest post in the Indian Civil Service. In 1992, he was appointed Senior Advisor to the Prime Minister of India. He has served as the Governor of the State of Gujarat in 1995-1996 and Ambassador of India to the United States of America in 1996-2001. He has also chaired the Committee on Corporate Audit