

KALYANI STEELS LIMITED



KALYANI



BOARD OF DIRECTORS

Mr. B. N. Kalyani

Chairman

Mr. Amit B. Kalyani

Mr. S. S. Hiremath

Mr. S. M. Kheny

Mr. Ajeet Prasad

UTI Nominee

Mr. C. G. Patankar

Executive Director

Mr. Suresh Pandey

Wholetime Director (Technical)

Mr. B. B. Hattarki

Wholetime Director

AUDITORS

Dalal & Shah

Chartered Accountants

49-55, Bombay Samachar Marg

Fort, Mumbai - 400 023

BANKERS

Bank of Baroda

Union Bank of India

Canara Bank

HDFC Bank Limited

State Bank of India

REGISTRAR & TRANSFER AGENTS

MCS Limited

116, Akshay Complex

Off Dhole Patil Road

Near Ganesh Mandir

Pune - 411 001

REGISTERED OFFICE

Mundhwa, Pune - 411 036

Phone : 91-020-26870806,26870435

Fax : 91-020-26871738,26871808

E-mail : ksl@kalyanisteels.com

WORKS

Hospet Road, Ginigera

Tal. & Dist. Koppal

Karnataka - 583 228

Report



Report Junction.com

KALYANI STEELS LIMITED

Registered Office : Mundhwa, Pune 411 036

**NOTICE**

NOTICE is hereby given that the **THIRTY-FIRST Annual General Meeting of the Members of Kalyani Steels Limited** will be held at the Registered Office of the Company at Mundhwa, Pune - 411 036, on Saturday, the 28th day of August, 2004 at 11.00 a.m. (L.S.T) to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2004 and the Profit and Loss Account for the year ended 31st March, 2004 and the Reports of the Directors and of the Auditors.
2. To declare a Dividend on Preference Shares.
3. To appoint a Director in place of Mr.B.N. Kalyani, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.C.G. Patankar, who retires by rotation, but being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr.B.B. Hattarki, who retires by rotation, but being eligible, offers himself for re-appointment.
6. To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION** :
"RESOLVED THAT THE COMPANY'S AUDITORS, M/S DALAL & SHAH, CHARTERED ACCOUNTANTS, MUMBAI BE AND ARE HEREBY RE-APPOINTED AS AUDITORS OF THE COMPANY TO HOLD OFFICE FROM THE CONCLUSION OF THIS MEETING UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY AND THAT THE BOARD OF DIRECTORS BE AND IS HEREBY AUTHORISED TO FIX THEIR REMUNERATION FOR THE PERIOD."

SPECIAL BUSINESS :

7. To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION** :
"RESOLVED THAT MRS.SURESH PANDEY BE AND IS HEREBY APPOINTED AS A DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION."
8. To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION** :
"RESOLVED THAT MR.AMIT B. KALYANI BE AND IS HEREBY APPOINTED AS A DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION."
9. To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION** :
"RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTIONS 198, 269, 309 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956 AND SUBJECT TO THE APPROVALS, AS MAY BE NECESSARY, THE APPROVAL OF THE MEMBERS BE AND IS HEREBY ACCORDED TO THE RE-APPOINTMENT OF MR.C.G. PATANKAR, AS EXECUTIVE DIRECTOR OF THE COMPANY, FOR A PERIOD OF FIVE

YEARS FROM 1ST APRIL, 2004 TO 31ST MARCH, 2009 ON THE FOLLOWING TERMS OF REMUNERATION IN TERMS OF SCHEDULE XIII OF THE COMPANIES ACT, 1956, RELATING TO MANAGERIAL REMUNERATION :

(I) SALARY :

- i) BASIC SALARY OF RS.200,000/- (RUPEES TWO HUNDRED THOUSAND ONLY) PER MONTH.
- ii) SPECIAL ALLOWANCE OF RS.23,500/- (RUPEES TWENTY THREE THOUSAND FIVE HUNDRED ONLY) PER MONTH.

(II) COMMISSION :

COMMISSION BASED ON NET PROFITS OF THE COMPANY, FOR EACH FINANCIAL YEAR, AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS.

(III) PERQUISITES :

IN ADDITION TO SALARY AND COMMISSION PAYABLE, THE EXECUTIVE DIRECTOR SHALL BE ENTITLED TO THE FOLLOWING PERQUISITES WHICH UNLESS THE CONTEXT OTHERWISE REQUIRES, ARE CLASSIFIED INTO THREE CATEGORIES 'A', 'B' AND 'C' AS UNDER :

CATEGORY 'A'

THIS SHALL INCLUDE HOUSING, MEDICAL REIMBURSEMENT, LEAVE TRAVEL CONCESSION ETC. THESE SHALL BE PROVIDED FOR AS UNDER :

I) HOUSING :**HOUSING - I**

THE EXPENDITURE BY THE COMPANY ON HIRING FURNISHED ACCOMMODATION FOR THE EXECUTIVE DIRECTOR SHALL BE SUBJECT TO A CEILING OF RS.25,000/- PER MONTH.

HOUSING - II

THE COMPANY SHALL PROVIDE RENT FREE FURNISHED ACCOMMODATION, IN CASE THE ACCOMMODATION IS OWNED BY THE COMPANY.

HOUSING - III

IN CASE NO ACCOMMODATION IS PROVIDED BY THE COMPANY, THE EXECUTIVE DIRECTOR SHALL BE ENTITLED TO HOUSE RENT ALLOWANCE SUBJECT TO THE CEILING LAID DOWN IN HOUSING - I.

II) MEDICAL REIMBURSEMENT :

ACTUAL EXPENSES INCURRED FOR THE EXECUTIVE DIRECTOR AND HIS FAMILY SUBJECT TO THE CEILING OF ONE MONTH'S BASIC SALARY IN A YEAR OR THREE MONTH'S BASIC SALARY OVER A PERIOD OF THREE YEARS.

III) LEAVE TRAVEL CONCESSION :

FOR THE EXECUTIVE DIRECTOR AND



HIS FAMILY ONCE IN A YEAR IN ACCORDANCE WITH THE RULES OF THE COMPANY.

- IV) SUCH OTHER PRIVILEGES, FACILITIES, PERQUISITES AND AMENITIES AS MAY BE APPLICABLE FROM TIME TO TIME TO THE SENIOR EXECUTIVES OF THE COMPANY.

EXPLANATION :

FOR THE PURPOSE OF CATEGORY 'A', 'FAMILY' MEANS THE SPOUSE, THE DEPENDENT CHILDREN AND DEPENDENT PARENTS OF THE EXECUTIVE DIRECTOR.

CATEGORY 'B'

THIS SHALL INCLUDE CONTRIBUTION TO PROVIDENT FUND, SUPERANNUATION FUND OR ANNUITY FUND AND ENCASHMENT OF LEAVE AS PER RULES. GRATUITY PAYABLE FOR THE ENTIRE TENURE OF SERVICE WITH KALYANI GROUP SHALL NOT EXCEED ONE MONTH'S BASIC SALARY FOR EACH COMPLETED YEAR OF SERVICE.

CATEGORY 'C'

PROVISION OF CAR FOR USE ON COMPANY'S BUSINESS AND TELEPHONE AT RESIDENCE SHALL NOT BE CONSIDERED AS PERQUISITES. PERSONAL LONG DISTANCE CALLS ON TELEPHONE AND USE OF CAR FOR PRIVATE PURPOSE SHALL BE BILLED BY THE COMPANY TO THE EXECUTIVE DIRECTOR.

THE AMOUNT OF OVERALL REMUNERATION BASED ON THE NET PROFITS OF THE COMPANY IN A FINANCIAL YEAR, SHALL BE SUBJECT TO THE OVERALL CEILINGS LAID DOWN IN SECTION 198 AND SECTION 309 OF THE COMPANIES ACT, 1956.

MINIMUM REMUNERATION

NOTWITHSTANDING ANYTHING HEREIN, WHERE IN ANY FINANCIAL YEAR, DURING THE CURRENCY OF TENURE OF THE EXECUTIVE DIRECTOR, THE COMPANY HAS NO PROFITS OR ITS PROFITS ARE INADEQUATE, THE COMPANY SHALL PAY HIM REMUNERATION BY WAY OF SALARY AND PERQUISITES SPECIFIED ABOVE, AS MINIMUM REMUNERATION, SUBJECT TO THE CEILINGS PRESCRIBED UNDER SCHEDULE XIII, PART II, SECTION II PARA 1(B) OF THE COMPANIES ACT, 1956, AS AMENDED FROM TIME TO TIME.

FURTHER RESOLVED THAT THE BOARD OF DIRECTORS OF THE COMPANY BE AND IS HEREBY AUTHORISED AND EMPOWERED TO MAKE SUCH IMPROVEMENTS IN THE TERMS OF REMUNERATION TO MR.C.G. PATANKAR AS MAY BE PERMISSIBLE UNDER AND BY ANY AMENDMENTS OF SCHEDULE XIII TO THE COMPANIES ACT, 1956 OR BY WAY OF ANY GOVERNMENT GUIDELINES OR INSTRUCTIONS, THE INTENTION BEING THAT NO FURTHER APPROVAL OF THE COMPANY WILL BE REQUIRED SO LONG AS REMUNERATION OF THE EXECUTIVE DIRECTOR IS NOT IN EXCESS OF THE MAXIMUM PERMISSIBLE UNDER RELEVANT LAWS, RULES, REGULATIONS,

GUIDELINES OR INSTRUCTIONS AS MAY BE PROMULGATED OR ISSUED AFTER THE DATE OF THIS MEETING."

10. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTIONS 198, 269, 309 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956 AND SUBJECT TO THE APPROVALS, AS MAY BE NECESSARY, THE APPROVAL OF THE MEMBERS BE AND IS HEREBY ACCORDED TO THE APPOINTMENT OF MR.SURESH PANDEY, AS WHOLETEIME DIRECTOR (TECHNICAL) OF THE COMPANY, FOR A PERIOD OF TWO YEARS FROM 1ST FEBRUARY, 2004 TO 31ST JANUARY, 2006 ON THE FOLLOWING TERMS OF REMUNERATION IN TERMS OF SCHEDULE XIII OF THE COMPANIES ACT, 1956, RELATING TO MANAGERIAL REMUNERATION :

(I) SALARY :

- i) BASIC SALARY OF RS.100,000/- (RUPEES ONE HUNDRED THOUSAND ONLY) PER MONTH.
- ii) SPECIAL ALLOWANCE OF RS.51,500/- (RUPEES FIFTY ONE THOUSAND FIVE HUNDRED ONLY) PER MONTH.

(II) PERQUISITES :

IN ADDITION TO SALARY PAYABLE, THE WHOLETEIME DIRECTOR (TECHNICAL) SHALL BE ENTITLED TO THE FOLLOWING PERQUISITES WHICH UNLESS THE CONTEXT OTHERWISE REQUIRES, ARE CLASSIFIED INTO THREE CATEGORIES 'A', 'B' AND 'C' AS UNDER :

CATEGORY 'A'

THIS SHALL INCLUDE HOUSING, MEDICAL REIMBURSEMENT, LEAVE TRAVEL CONCESSION ETC. THESE SHALL BE PROVIDED FOR AS UNDER :

i) HOUSING :

HOUSING - I

THE EXPENDITURE BY THE COMPANY ON HIRING FURNISHED ACCOMMODATION FOR THE WHOLETEIME DIRECTOR (TECHNICAL) SHALL BE SUBJECT TO CEILING OF RS.30,000/- PER MONTH.

HOUSING - II

THE COMPANY SHALL PROVIDE RENT FREE FURNISHED ACCOMMODATION, IN CASE THE ACCOMMODATION IS OWNED BY THE COMPANY.

HOUSING - III

IN CASE NO ACCOMMODATION IS PROVIDED BY THE COMPANY, THE WHOLETEIME DIRECTOR (TECHNICAL) SHALL BE ENTITLED TO HOUSE RENT ALLOWANCE SUBJECT TO THE CEILING LAID DOWN IN HOUSING - I.

ii) MEDICAL REIMBURSEMENT :

ACTUAL EXPENSES INCURRED FOR THE WHOLETEIME DIRECTOR (TECHNICAL)



AND HIS FAMILY SUBJECT TO THE CEILING OF RS.1,250/- PER MONTH.

- iii) LEAVE TRAVEL CONCESSION :
FOR THE WHOLETEIME DIRECTOR (TECHNICAL) AND HIS FAMILY ONCE IN A YEAR INCURRED IN ACCORDANCE WITH THE RULES SPECIFIED BY THE COMPANY.
- iv) SUCH OTHER PRIVILEGES, FACILITIES, PERQUISITES AND AMENITIES AS MAY BE APPLICABLE FROM TIME TO TIME TO SENIOR EXECUTIVES OF THE COMPANY.

EXPLANATION :

FOR THE PURPOSE OF CATEGORY 'A', 'FAMILY' MEANS THE SPOUSE, THE DEPENDENT CHILDREN AND DEPENDENT PARENTS OF THE WHOLETEIME DIRECTOR (TECHNICAL).

CATEGORY 'B'

THIS SHALL INCLUDE ENCASHMENT OF LEAVE AS PER RULES.

CATEGORY 'C'

PROVISION OF CAR FOR USE ON COMPANY'S BUSINESS AND TELEPHONE AT RESIDENCE SHALL NOT BE CONSIDERED AS PERQUISITES. PERSONAL LONG DISTANCE CALLS ON TELEPHONE AND USE OF CAR FOR PRIVATE PURPOSE SHALL BE BILLED BY THE COMPANY TO THE WHOLETEIME DIRECTOR (TECHNICAL).

THE AMOUNT OF OVERALL REMUNERATION BASED ON THE NET PROFITS OF THE COMPANY IN A FINANCIAL YEAR, SHALL BE SUBJECT TO THE OVERALL CEILINGS LAID DOWN IN SECTION 198 AND SECTION 309 OF THE COMPANIES ACT, 1956.

MINIMUM REMUNERATION

NOTWITHSTANDING ANYTHING HEREIN, WHERE IN ANY FINANCIAL YEAR, DURING THE CURRENCY OF TENURE OF THE WHOLETEIME DIRECTOR (TECHNICAL), THE COMPANY HAS NO PROFITS OR ITS PROFITS ARE INADEQUATE, THE COMPANY SHALL PAY HIM REMUNERATION BY WAY OF SALARY AND PERQUISITES SPECIFIED ABOVE, AS MINIMUM REMUNERATION, SUBJECT TO THE CEILINGS PRESCRIBED UNDER SCHEDULE XIII, PART II, SECTION II PARA 1(B) OF THE COMPANIES ACT, 1956, AS AMENDED FROM TIME TO TIME.

FURTHER RESOLVED THAT THE BOARD OF DIRECTORS OF THE COMPANY BE AND IS HEREBY AUTHORISED AND EMPOWERED TO MAKE SUCH IMPROVEMENTS IN THE TERMS OF REMUNERATION TO MR.SURESH PANDEY AS MAY BE PERMISSIBLE UNDER AND BY ANY AMENDMENTS OF SCHEDULE XIII TO THE COMPANIES ACT, 1956 OR BY WAY OF ANY GOVERNMENT GUIDELINES OR INSTRUCTIONS, THE INTENTION BEING THAT NO FURTHER APPROVAL OF THE COMPANY WILL BE REQUIRED SO LONG AS REMUNERATION OF THE WHOLETEIME DIRECTOR (TECHNICAL) IS NOT IN EXCESS OF THE MAXIMUM PERMISSIBLE UNDER RELEVANT LAWS, RULES, REGULATIONS, GUIDELINES OR INSTRUCTIONS

AS MAY BE PROMULGATED OR ISSUED AFTER THE DATE OF THIS MEETING."

- 11. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTIONS 198, 269, 309 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956 AND SUBJECT TO THE APPROVALS, AS MAY BE NECESSARY, THE APPROVAL OF THE MEMBERS BE AND IS HEREBY ACCORDED TO THE APPOINTMENT OF MR.B.B. HATTARKI, AS WHOLETEIME DIRECTOR OF THE COMPANY, FOR A PERIOD OF TWO YEARS FROM 22ND MAY, 2004 TO 21ST MAY, 2006 ON THE FOLLOWING TERMS OF REMUNERATION IN TERMS OF SCHEDULE XIII OF THE COMPANIES ACT, 1956, RELATING TO MANAGERIAL REMUNERATION :

(I) SALARY :

- i) BASIC SALARY OF RS.35,000/- (RUPEES THIRTY FIVE THOUSAND ONLY) PER MONTH.
- ii) SPECIAL ALLOWANCE OF RS.35,000/- (RUPEES THIRTY FIVE THOUSAND ONLY) PER MONTH.
- iii) VARIABLE ALLOWANCE OF RS.31,000/- (RUPEES THIRTY ONE THOUSAND ONLY) PER MONTH.

(II) PERQUISITES :

IN ADDITION TO SALARY, THE WHOLETEIME DIRECTOR SHALL BE ENTITLED TO THE FOLLOWING PERQUISITES WHICH UNLESS THE CONTEXT OTHERWISE REQUIRES, ARE CLASSIFIED INTO THREE CATEGORIES 'A', 'B' AND 'C' AS UNDER :

CATEGORY 'A'

THIS WILL INCLUDE HOUSE RENT ALLOWANCE, MEDICAL REIMBURSEMENT, REIMBURSEMENT TOWARDS DRIVER'S SALARY, LEAVE TRAVEL CONCESSION ETC. THESE SHALL BE PROVIDED FOR AS UNDER :

i) HOUSING :

HOUSING - I

THE EXPENDITURE BY THE COMPANY ON HIRING FURNISHED ACCOMMODATION FOR THE WHOLETEIME DIRECTOR WILL BE SUBJECT TO FIFTY PERCENT OF THE BASIC SALARY.

HOUSING - II

THE COMPANY WILL PROVIDE RENT FREE FURNISHED ACCOMMODATION, IN CASE THE ACCOMMODATION IS OWNED BY THE COMPANY.

HOUSING - III

IN CASE NO ACCOMMODATION IS PROVIDED BY THE COMPANY, THE WHOLETEIME DIRECTOR WILL BE ENTITLED TO HOUSE RENT ALLOWANCE SUBJECT TO THE CEILING LAID DOWN IN HOUSING - I.



- ii) MEDICAL REIMBURSEMENT :
ACTUAL EXPENSES INCURRED FOR THE WHOLETIME DIRECTOR AND HIS FAMILY. THIS WILL ALSO INCLUDE EXPENSES, IF ANY, ON HOSPITALISATION.
- iii) REIMBURSEMENT TOWARDS DRIVER'S SALARY :
REIMBURSEMENT TOWARDS DRIVER'S SALARY SUBJECT TO A CEILING OF RS.6,000/- (RUPEES SIX THOUSAND ONLY) PER MONTH.
- iv) LEAVE TRAVEL CONCESSION
FOR THE WHOLETIME DIRECTOR AND HIS FAMILY, ONCE IN A YEAR INCURRED IN ACCORDANCE WITH THE RULES SPECIFIED BY THE COMPANY.
- v) SUCH OTHER PRIVILEGES, FACILITIES, PERQUISITES AND AMENITIES AS MAY BE APPLICABLE FROM TIME TO TIME TO SENIOR MANAGERS OF THE COMPANY.

EXPLANATION :

FOR THE PURPOSE OF CATEGORY 'A', 'FAMILY' MEANS THE SPOUSE, THE DEPENDENT CHILDREN AND DEPENDENT PARENTS OF THE WHOLETIME DIRECTOR.

CATEGORY 'B'

THIS SHALL INCLUDE ENCASHMENT OF LEAVE AS PER RULES. GRATUITY PAYABLE SHALL NOT EXCEED ONE MONTH'S BASIC SALARY FOR EACH COMPLETED YEAR OF SERVICE.

CATEGORY 'C'

PROVISION OF CAR FOR USE ON COMPANY'S BUSINESS AND TELEPHONE AT RESIDENCE SHALL NOT BE CONSIDERED AS PERQUISITES. PERSONAL LONG DISTANCE CALLS ON TELEPHONE AND USE OF CAR FOR PRIVATE PURPOSE, SHALL BE BILLED BY THE COMPANY TO THE WHOLETIME DIRECTOR.

THE AMOUNT OF OVERALL REMUNERATION BASED ON THE NET PROFITS OF THE COMPANY IN A FINANCIAL YEAR, SHALL BE SUBJECT TO THE OVERALL CEILINGS LAID DOWN IN SECTION 198 AND SECTION 309 OF THE COMPANIES ACT, 1956.

MINIMUM REMUNERATION

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, WHERE IN ANY FINANCIAL YEAR, DURING THE CURRENCY OF TENURE OF THE WHOLETIME DIRECTOR, THE COMPANY HAS NO PROFITS OR ITS PROFITS ARE INADEQUATE, THE COMPANY WILL PAY HIM REMUNERATION BY WAY OF SALARY AND PERQUISITES SPECIFIED ABOVE, AS MINIMUM REMUNERATION, SUBJECT TO THE CEILINGS PRESCRIBED UNDER SCHEDULE XIII, PART II, SECTION II, PARA 1(B) OF THE COMPANIES ACT, 1956, AS AMENDED FROM TIME TO TIME. FURTHER RESOLVED THAT THE BOARD OF DIRECTORS OF THE COMPANY BE AND IS HEREBY AUTHORISED AND EMPOWERED TO MAKE SUCH IMPROVEMENTS IN THE TERMS OF REMUNERATION TO MR.B.B. HATTARKI AS MAY

BE PERMISSIBLE UNDER AND BY ANY AMENDMENTS OF SCHEDULE XIII TO THE COMPANIES ACT, 1956 OR BY WAY OF ANY GOVERNMENT GUIDELINES OR INSTRUCTIONS, THE INTENTION BEING THAT NO FURTHER APPROVAL OF THE COMPANY WILL BE REQUIRED SO LONG AS REMUNERATION OF THE WHOLETIME DIRECTOR IS NOT IN EXCESS OF THE MAXIMUM PERMISSIBLE UNDER RELEVANT LAWS, RULES, REGULATIONS, GUIDELINES OR INSTRUCTIONS AS MAY BE PROMULGATED OR ISSUED AFTER THE DATE OF THIS MEETING."

12. To consider and if thought fit, to pass with or without modifications, the following resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT PURSUANT TO SECTION 309 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, IF ANY AND SUBJECT TO SUCH PERMISSIONS, CONSENTS AND APPROVALS AS MAY BE REQUIRED, APPROVAL OF THE MEMBERS BE AND IS HEREBY GIVEN TO THE PAYMENT AND DISTRIBUTION, FOR A PERIOD OF FIVE YEARS, FOR EACH FINANCIAL YEAR COMMENCING FROM 1ST APRIL, 2004, OF A COMMISSION NOT EXCEEDING 1% (ONE PERCENT) OF THE NET PROFITS OF THE COMPANY CALCULATED IN ACCORDANCE WITH THE PROVISIONS OF SECTIONS 198, 349, 350 AND 351 OF THE COMPANIES ACT, 1956, AMONGST THE DIRECTORS OF THE COMPANY OR ANY ONE OR MORE OF THEM [OTHER THAN EXECUTIVE DIRECTOR(S) AND / OR WHOLETIME DIRECTOR(S)] IN SUCH PROPORTION AND IN SUCH MANNER AS MAY BE DECIDED BY THE BOARD OF DIRECTORS OF THE COMPANY FROM TIME TO TIME AND SUCH PAYMENT SHALL BE MADE IN RESPECT OF THE PROFITS OF THE COMPANY FOR EACH YEAR.

FURTHER RESOLVED THAT FOR THE PURPOSE OF CALCULATING THE COMMISSION PAYABLE FOR ANY PART OF THE FINANCIAL YEAR OF THE COMPANY, THE PROFITS SHALL BE DEEMED TO HAVE ACCRUED OR ARISEN AT AN EVEN RATE THROUGHOUT THE YEAR AND SHALL BE APPORTIONED PRO-RATA ON TIME BASIS, THE INTENTION BEING THAT THE COMMISSION SHALL BE PAID AT THE AFORESAID RATE IN RESPECT OF THE COMPANY, CALCULATED ON THE AFORESAID BASIS FOR THE PART OF ANY YEAR IN RESPECT OF WHICH THE DIRECTORS ARE TO BE PAID SUCH COMMISSION."

By Order of the Board of Directors
for KALYANI STEELS LIMITED

Pune
26th June, 2004

MRS.D.R. PURANIK
COMPANY SECRETARY

**NOTES :**

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under Item Nos. 7 to 12 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Members who hold shares in dematerialised form are requested to bring their DP ID AND CLIENT ID numbers for easy identification of attendance at the meeting.
4. Members holding shares in dematerialised form are requested to intimate any change in their address, to their respective DPs and those holding shares in physical form are to intimate the above said change to the Registrar and Transfer Agent of the Company, at their address given below.
5. Those Members who have not encashed / received their Dividend Warrants for the Financial Years 1996-97, 1997-98 and 1998-99 may approach the Registrar and Transfer Agent of the Company, at their address given below, for revalidation of the Dividend Warrants / for obtaining duplicate Dividend Warrants.
6. Dividends which remain unencashed / unclaimed over a period of 7 years will have to be transferred by the Company to Investor Education and Protection Fund (IEPF) constituted by the Central Government under Section 205A and 205C of the Companies Act, 1956. Further, under the amended provisions of Section 205B of the Companies Act, 1956, no claim by the shareholders shall lie for the unclaimed dividend transferred by the Company to IEPF.
7. Equity shares of the Company are under compulsory demat trading by all investors. Those shareholders who have not dematerialised their shareholding are advised to dematerialise the same to avoid inconvenience in future.

Registrar & Transfer Agent
MCS LIMITED,
116, Akshay Complex, Off Dhole Patil Road,
Near Ganesh Mandir, Pune - 411 001

ANNEXURE TO THE NOTICE**Explanatory Statement as required by Section 173 of the Companies Act, 1956**

The following explanatory statement sets out, as required by Section 173 of the Companies Act, 1956, the material facts relating to Item Nos. 7 to 12 mentioned in the accompanying notice dated 26th June, 2004

ITEM NO. 7

Mr.Suresh Pandey was appointed as an Additional Director on the Board of Directors of the Company, with effect from 31st January, 2004, in exercise of the powers conferred to the directors under Article 148 of the Articles of Association of the Company. By virtue of the provisions of Section 260 of the Companies Act, 1956, Mr.Suresh Pandey, would be holding office as director only upto the date of this Annual General Meeting. Notice in writing has been received from a member of the Company under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr.Suresh Pandey as candidate for the office of Director. The resolution for his appointment as a Director, liable to retire by rotation, is recommended for approval.

Profile of Mr.Suresh Pandey, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is given in the report on Corporate Governance.

Mr.Suresh Pandey may be regarded as concerned with or interested in the resolution. No other Director of the Company is interested in the resolution.

ITEM NO. 8

Mr.Amit B. Kalyani was appointed as an Additional Director on the Board of Directors of the Company, with effect from 22nd May, 2004, in exercise of the powers conferred to the Directors under Article 148 of the Articles of Association of the Company. By virtue of the provisions of Section 260 of the Companies Act, 1956, Mr. Amit B. Kalyani, would be holding office as Director only upto the date of this Annual General Meeting. Notice in writing has been received from a member of the Company under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Amit B. Kalyani as candidate for the office of Director. The resolution for his appointment as a Director, liable to retire by rotation, is recommended for approval.

Profile of Mr.Amit B. Kalyani, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is given in the report on Corporate Governance.

Mr.Amit B. Kalyani and Mr.B.N. Kalyani, may be regarded as concerned with or interested in the resolution. No other Director of the Company is interested in the resolution.

ITEM NO. 9

Mr.C.G. Patankar was appointed as an Executive Director for the period of five years from



27th July, 1999 to 26th July, 2004. Thereafter in the Board Meeting held on 22nd January, 2002, remuneration of Mr.Patankar was revised, however in view of inadequacy of profits, considering then applicable provisions of the Companies Act, 1956, read with Schedule XIII to the said Act, the remuneration was crystalised for the period of three years from 1st April, 2001 to 31st March, 2004.

In view of the same, in the Board Meeting held on 31st January, 2004, it was decided that earlier agreement with Mr.Patankar be terminated by mutual consent w.e.f. 1st April, 2004 and Mr.Patankar was re-appointed as an Executive Director for the further period of five years from 1st April, 2004 to 31st March, 2009. The Board also approved the terms of remuneration of Mr.Patankar, for the said period.

Approval of the members is sought to the re-appointment and to the payment of remuneration to Mr.C.G. Patankar, as detailed in the resolution, during the term of his re-appointment as Executive Director of the Company from 1st April, 2004 to 31st March, 2009. The Directors recommend the resolution for approval of the members.

Profile of Mr.C.G. Patankar, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is given in the report on Corporate Governance, being re-appointed at the ensuing Annual General Meeting as the Director.

Mr.C.G. Patankar may be regarded as concerned with or interested in the resolution. No other Director of the Company is interested in the resolution.

ITEM NO. 10

The Board of Directors at its meeting held on 31st January, 2004, appointed Mr.Suresh Pandey, as Wholtime Director (Technical) of the Company for the period of two years from 1st February, 2004 to 31st January, 2006 upon the remuneration as mentioned in the resolution.

Approval of the members is sought to the appointment and to the payment of remuneration to Mr.Suresh Pandey, as detailed in the resolution, during the term of his appointment as Wholtime Director (Technical) of the Company from 1st February, 2004 to 31st January, 2006. The Directors recommend the resolution for approval of the members.

Profile of Mr.Suresh Pandey, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is given in the report on Corporate Governance, being appointed at the ensuing Annual General Meeting as the Director.

Mr.Suresh Pandey may be regarded as concerned with or interested in the resolution. No other Director of the Company is interested in the resolution.

ITEM NO. 11

The Board of Directors at its meeting held on 22nd May, 2004, appointed Mr.B.B. Hattarki, as Wholtime Director of the Company for the period of two years from 22nd May, 2004 to 21st May, 2006 upon the remuneration as mentioned in the resolution.

Approval of the members is sought to the appointment and to the payment of remuneration to

Mr.B.B. Hattarki, as detailed in the resolution, during the term of his appointment as Wholtime Director of the Company from 22nd May, 2004 to 21st May, 2006. The Directors recommend the resolution for approval of the members.

Profile of Mr.B.B. Hattarki, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is given in the report on Corporate Governance, being re-appointed at the ensuing Annual General Meeting as the Director.

Mr.B.B. Hattarki may be regarded as concerned with or interested in the resolution. No other Director of the Company is interested in the resolution.

ITEM NO. 12

Section 309 of the Companies Act, 1956, inter alia provides for payment of remuneration to Director(s) by way of commission not exceeding 1% of the net profits of the Company in case of a Company having a Executive Director(s) and / or Wholtime Director(s) or not exceeding 3% of the net profits of the Company in any other case, subject to the approval of the Members of the Company by means of a Special Resolution.

Accordingly, the Members at their 26th Annual General Meeting, held on 27th July, 1999, had authorised payment of remuneration to Directors by way of commission at a rate not exceeding 1% of the net profits of the Company, computed in the manner laid down under various applicable provisions of the Companies Act, 1956, with effect from 1st April, 1999.

The authorisation given by the said resolution expired on 31st March, 2004, but may be renewed for a further period of five years with effect from 1st April, 2004.

The Members are aware that the Directors of the Company have over the years contributed significantly towards the steady growth of the Company and they provide to the Company the benefits of their varied experience in business, industry and allied subjects and make useful contribution through the Board Meetings and Meetings of the various Committees thereof and otherwise.

Hence the proposed resolution is to remunerate the Directors [other than the Executive Director(s) and / or Wholtime Director(s)] at a rate not exceeding 1% of the net profits of the Company, computed in the manner laid down under various applicable provisions of the Companies Act, 1956, for a further period of five years from 1st April, 2004.

All the Directors, except Executive Director and Wholtime Director(s), are interested in the resolution as recipients of the proposed commission.

By Order of the Board of Directors
for KALYANI STEELS LIMITED

Pune
26th June, 2004

MRS.D.R. PURANIK
COMPANY SECRETARY



KALYANI STEELS LIMITED
Registered Office : Mundhwa, Pune 411 036.

**Kalyani
Steels**

ATTENDANCE SLIP

DP ID*	NAME OF THE MEMBER/PROXY
CLIENT ID*	
FOLIO NO.	

* Applicable if shares are held in dematerialised form

I hereby record my presence at the Thirty-First Annual General Meeting of the Company held at the Registered Office of the Company at Mundhwa, Pune - 411 036 on Saturday, the 28th day of August 2004, at 11.00 A.M. (I.S.T.)

Signature of the Attending Member/ Proxy
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- Notes :
1. Member/ Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.
 2. Member/ Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.



KALYANI STEELS LIMITED
Registered Office : Mundhwa, Pune 411 036.

PROXY FORM

I/We _____
of _____
being a Member/Members of KALYANI STEELS LIMITED, Pune, hereby appoint _____
of _____ or
failing him _____
of _____ as my /our proxy to vote for
me/us and on my/our behalf, at the Thirty-First Annual General Meeting of the Company to be held on Saturday, the 28th day of August, 2004 and at any adjournment thereof.

Signed this _____ day of _____ 2004.

DP ID*
CLIENT ID*
FOLIO NO.

Please
Affix 15 paise
Revenue
Stamp
here

Signature(s) of Member(s)
across the stamp

* Applicable if shares are held in dematerialised form

Note : The Proxy must be deposited with the Registered Office of the Company at Mundhwa, Pune - 411 036, not less than 48 hours before the time fixed for holding the Meeting.

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Report  Junction.com

31ST ANNUAL GENERAL MEETING

Day : Saturday

Date : 28th August, 2004

Time : 11.00 a.m. (I.S.T.)

**Place : Registered Office,
Kalyani Steels Limited,
Mundhwa,
Pune - 411 036**