

**BHUSHAN**

# **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 32<sup>nd</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF BHUSHAN STEEL LIMITED WILL BE HELD ON SATURDAY, THE 19<sup>TH</sup> DAY OF SEPTEMBER, 2015 AT 11.00 A.M. AT THE AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI-110010 TO TRANSACT THE FOLLOWING BUSINESSES :**

### **ORDINARY BUSINESS :**

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2. To confirm payment of interim dividend paid on Redemption of 7,36,751 Redeemable Cumulative Preference Shares as per terms of issue.
3. To appoint a Director in place of Mr. Nittin Johari, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Rahul Sen Gupta, who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder the consent of Company be and is hereby accorded for appointment of Statutory Auditors of the Company as under:

- i. M/s. Mehra Goel & Co., Chartered Accountants (Firm Registration No. 000517N), shall hold office as Statutory Auditors of the Company for a period of one year from the conclusion of 32<sup>nd</sup> Annual General Meeting until the conclusion of 33<sup>rd</sup> Annual General Meeting of the Company,
- ii. M/s Mehrotra & Mehrotra, Chartered Accountants (Firm Registration No. 000226C) shall hold office as Statutory Auditors of the Company for a period of five years from the conclusion of 32<sup>nd</sup> Annual General Meeting until the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company, subject to ratification by the members at every 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 addition to reimbursement of out of pocket expenses.

### **SPECIAL BUSINESS:**

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

#### **CONFIRMATION OF THE RESOLUTION PASSED THROUGH POSTAL BALLOT WITH RESPECT TO THE APPOINTMENT OF JOINT STATUTORY AUDITORS**

**"RESOLVED THAT** the Resolution passed by the members of the Company through Postal Ballot vide notice dated 12.02.2015 with respect to the appointment of M/s. Mehrotra & Mehrotra, Chartered Accountants, New Delhi (Firm Registration No 000226C), as Joint Statutory Auditors of the Company for the FY 2014-15, to hold office till the conclusion of the next Annual General Meeting of the shareholders together with M/s Mehra Goel & Co, Chartered Accountants, New Delhi at such remuneration fixed by the Board of directors be and is hereby confirmed ."

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

#### **APPOINTMENT OF MR. ASHWANI KUMAR AS AN INDEPENDENT DIRECTOR**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. Ashwani Kumar (DIN 00030307) who was appointed as an Additional Director of the Company under Section 161(1) of the Act and the Article of Association of the Company and whose term of office expires at the Annual General Meeting, and who has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from September 20, 2014.

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

#### **APPOINTMENT OF MR. PRADEEP PATNI AS AN INDEPENDENT DIRECTOR**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. Pradeep Patni (DIN 00472932) who was appointed as an Additional Director of the Company under Section 161(1) of the Act and the Article of Association of the Company and whose term of office expires at the Annual General Meeting, and who has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from September 20, 2014.

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

#### **APPOINTMENT OF MR. SAHIL GOYAL AS AN INDEPENDENT DIRECTOR**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. Sahil Goyal (DIN 00148380) who was appointed as an Additional Director of the Company under Section 161(1) of the Act and the Article of Association of the Company and whose term of office expires at the Annual General Meeting, and who has

given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from September 20, 2014.

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

**APPOINTMENT OF MR. RAKESH SINGHAL AS AN INDEPENDENT DIRECTOR**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. Rakesh Singhal (DIN 00866868) who was appointed as an Additional Director of the Company under Section 161(1) of the Act and the Article of Association of the Company and whose term of office expires at the Annual General Meeting, and who has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from February 14, 2015.

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

**APPOINTMENT OF MR. PANKAJ SHARMA AS AN INDEPENDENT DIRECTOR**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. Pankaj Sharma (DIN 07094825) who was appointed as an Additional Director of the Company under Section 161(1) of the Act and the Article of Association of the Company and whose term of office expires at the Annual General Meeting, and who has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from February 14, 2015.

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

**APPOINTMENT OF MR. KAPIL VAISH AS AN INDEPENDENT DIRECTOR**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under, read with Schedule-IV of the Companies Act, 2013 as amended from time to time and Clause 49 of the Listing Agreement, Mr. Kapil Vaish (DIN 03532968) who was appointed as an Additional Director of the Company under Section 161(1) of the Act and the Article of Association of the Company and whose term of office expires at the Annual General Meeting, and who has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and who qualifies for being appointed as an Independent Director

and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company, be and is hereby appointed as an Independent director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from August 14, 2015.

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

**APPROVAL OF REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31<sup>ST</sup> MARCH 2016**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Kabra & Associates, Cost Accountant, Cost Auditors appointed by the Board of Directors of the Company to conduct the Audit of the Cost Records of the Company for the Financial year ending March 31, 2016, be paid the remuneration amounting to ₹2,50,000/- (Two Lac Fifty thousand) per annum."

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

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

**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 18,25,000 Redeemable Cumulative Preference Shares of ₹100/- each to be issued at such rate not exceeding ₹3000 per share (including maximum premium of ₹2900 per share) for an aggregate amount not exceeding ₹547.50 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 ₹100 each shall be issued at cash at a premium not exceeding ₹2900 per share.
- **DIVIDEND :** Dividend not exceeding @ 12 % per annum. The said shares shall rank for dividend in priority to the equity shares for the time being of the Company.
- **REDEMPTION :** At the option of Board, at any time within ten years from the date of allotment the said preference shares shall be Redeemed at a premium not exceeding ₹2900/- per share.
- **PUT AND CALL OPTION :** The holder of Preference Shares and the Board / 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.



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- **VOTING RIGHTS:** The voting rights of the persons holding the said shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force).

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

15. 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** authorised Share Capital of the Company be and is hereby increased from ₹275,00,00,000 (Rupees Two Hundred Seventy Five Crore) to ₹285,00,00,000 (Rupees Two Hundred Eighty Five Crore) by creation of 10,00,000 (Ten Lac) Preference Shares of ₹100/- each."

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

**AMENDMENT IN MEMORANDUM OF ASSOCIATION**

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

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

- V. "The Authorized Share Capital of the Company is ₹285,00,00,000 (Rupees Two Hundred Eighty Five Crores) divided into 40,00,00,000 (Forty Crores) Equity Shares of ₹2/- (Rupees Two) each and 205,00,000 ( Two Hundred Five Crore ) Preference Shares of ₹100/- (Rupees One Hundred) each."

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

By order of the Board  
Sd/

Dated :14.08.2015  
Place : New Delhi

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

**NOTES FOR MEMBERS ATTENTION:**

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

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

- i. AS PER SECTION 105 OF THE COMPANIES ACT, 2013 AND RELEVANT RULES MADE THERE UNDER, A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON

SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- ii. DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING WITH THE CONCLUSION OF THE MEETING, A MEMBER WOULD BE ENTITLED TO INSPECT THE PROXIES LODGED AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, PROVIDED THAT NOT LESS THAN THREE DAYS OF NOTICE IN WRITING IS GIVEN TO THE COMPANY.

2. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS ENCLOSED.

3. MEMBERS ARE INFORMED THAT AS PER SEBI DIRECTIVE THE COMPANY HAS ENTERED INTO AN AGREEMENT WITH RCMC SHARE REGISTRY PVT. LTD. TO ACT AS SHARE TRANSFER AGENTS OF THE COMPANY WITH EFFECT FROM 31<sup>ST</sup> MARCH, 2003 FOR ALL MATTERS CONNECTED WITH TRANSFERS AND TRANSMISSION OF SHARES AND ALSO DEMATERIALISATION OF SHARES AND OTHER RELATED FUNCTIONS ETC.

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

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

**M/S RCMC SHARE REGISTRY PVT. LTD.**

**UNIT: BHUSHAN STEEL LIMITED**

**B-25/1, First Floor,**

**Okhla Industrial Area Phase II,**

**New Delhi - 110020.**

**Phone : 011 – 26387320, 26387321, 26387323**

**Fax : 011 - 26387322**

**e-mail: shares@rcmcdelhi.com**

4. MEMBERS / PROXIES SHOULD FILL THE ATTENDANCE SLIP FOR ATTENDING THE MEETING.
5. CORPORATE MEMBERS ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVES TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING.
6. MEMBERS WHO HOLD SHARES IN DEMATERIALIZED FORM ARE REQUESTED TO BRING THEIR CLIENT ID AND DP ID NUMBERS FOR EASY IDENTIFICATION OF ATTENDANCE AT THE MEETING.
7. RELEVANT DOCUMENTS REFERRED TO IN THE ACCOMPANYING NOTICE ARE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY ON ALL WORKING DAYS, EXCEPT SATURDAYS AND HOLIDAYS, BETWEEN 11.00 AM AND 1.00 PM UPTO THE DATE OF THE ANNUAL GENERAL MEETING.
8. MEMBERS HAVING ANY QUERIES RELATING TO THE ANNUAL REPORT ARE REQUESTED TO SEND THEIR QUESTIONS AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 7 DAYS BEFORE THE DATE OF ANNUAL GENERAL MEETING.
9. PURSUANT TO THE PROVISIONS OF SECTION 124 OF THE COMPANIES ACT, 2013(ERSTWHILE SECTION 205A (5) OF THE COMPANIES ACT, 1956) DIVIDEND FOR THE FINANCIAL YEAR ENDED 31-03-2008 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 31-03-2008 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 20<sup>th</sup> SEPTEMBER 2014 (DATE OF LAST ANNUAL GENERAL MEETING) ON THE WEBSITE OF THE COMPANY- WWW.BHUSHANSTEEL.COM AS ALSO ON THE WEBSITE OF MINISTRY OF CORPORATE AFFAIRS.

10. THE COMPANY HAS ALREADY NOTIFIED CLOSURE OF REGISTER OF MEMBERS AND TRANSFER BOOKS THEREOF FROM MONDAY 14<sup>th</sup> SEPTEMBER, 2015 TO SATURDAY, 19<sup>th</sup> SEPTEMBER, 2015 (BOTH DAYS INCLUSIVE) FOR THE PURPOSE OF 32<sup>ND</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 19<sup>TH</sup> SEPTEMBER, 2015.
11. IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHO IS HIGHER IN ORDER OF NAMES WILL BE ENTITLED TO VOTE.
12. NON-RESIDENT INDIAN MEMBERS ARE REQUESTED TO INFORM **M/S RCMC SHARE REGISTRY PVT. LTD. :**
  - (A) IMMEDIATELY THE CHANGE IN THE RESIDENTIAL STATUS ON RETURN TO INDIA FOR PERMANENT SETTLEMENT.
  - (B) THE PARTICULARS OF THE BANK ACCOUNTS MAINTAINED IN INDIA WITH COMPLETE NAME, BRANCH, ACCOUNT TYPE, ACCOUNT NUMBER AND ADDRESS OF THE BANK, IF NOT FURNISHED EARLIER.
13. INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING MR. NITTIN JOHARI AND MR. RAHUL SEN GUPTA, DIRECTORS BEING RE-APPOINTED:

Particulars	Mr. Nittin Johari	Mr. Rahul Sen Gupta
Date of Birth	01.07.1963	12.04.1959
Expertise in Specific Areas	He is a Chartered Accountant with more than 29 years of experience. Presently he is looking after Corporate financing and other related matters.	He is having more than 34 years experience in the Steel Industry in all functional areas, Planning, project conceptualisation and Technology Evaluation.
Qualifications	M.COM, F.C.A.	B. Sc. (Engg.)
Directorship in other Companies	Bhushan Aviation Limited Sukhna Steel Private Limited Marsh Capital Services Private Limited Bhushan Consumer Electronics Private Limited Bhushan General Traders Private Limited Paragon Securities Private Limited Bowen Energy Limited	Bhushan Aviation Limited Bhushan Exports Private Limited Bhushan Energy Trading Private Limited Bhushan Natural Resources Private Limited Bhushan Steel Bengal Limited Bhushan Steel Madhya Bharat Limited Robust Transportation Private Limited Aayushi Credit And Capital Services Limited
Shareholding in the Company as on 31.03.2015	NIL	NIL

14. ELECTRONIC COPY OF THE ANNUAL REPORT FOR 2014-15 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 2014-15 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 2014-15 TO ENABLE THEM TO CAST THEIR VOTES THROUGH E-VOTING.

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

### **ITEM NO 2**

During the financial year 2014-15 the Company has paid interim dividend on Redemption of 7,36,751 Redeemable Preference Shares to ICICI Bank Ltd. and IL & FS Trust Company Ltd. as per the terms of the issue.

Members are requested to confirm the payment of interim dividend mentioned in item no. 2.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Item no. 2 of the Notice.

### **ITEM NO 6**

Members may recall that the members of the Company has given approval by way of Postal Ballot as per Notice of Postal Ballot dated 14.02.2015 for appointment of M/s. Mehrotra & Mehrotra, Chartered Accountants, New Delhi, as Joint Statutory Auditors of the Company for the FY 2014-15, to hold office till the conclusion of the next Annual General Meeting of the shareholders together with M/s Mehra Goel & Co, Chartered Accountants, New Delhi.

Though as per interpretation of Section 139 of the Companies Act, 2013, the Joint Statutory Auditors should be appointed at AGM. However exigency arise on account of requirements of Banks (as per decision taken at Joint Lenders Meet (JLM) on 09-12-2014) to appoint Joint Statutory Auditors. While taking the aforesaid approval of the members it was committed that the appointment of Joint Statutory Auditors shall be placed for confirmation before the shareholders at the forthcoming Annual General Meeting.

Hence this resolution.

None of the Directors, Key managerial personnel of the Company and their relatives are, in any way, concerned or interested in the aforesaid item no. 6.

### **ITEM NO. 7**

Pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement and in accordance with the provision of the Articles of Association of the Company the Board of Directors based on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Ashwani Kumar as an Additional Independent Director of the Company on 20<sup>th</sup> September 2014.



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According to the provisions of the Section 161 an Additional Director shall hold office till the Annual General Meeting. The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company.

Mr. Ashwani Kumar has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and qualifies for being appointed as an Independent Director of the Company.

Mr. Ashwani Kumar is Practicing Chartered Accountant having experience for over last 37 years as a Senior Partner in M/s Ashwani and Associates, Chartered Accountants. He was on the Board of Ludhiana Stock Exchange for many years. If appointed he will prove an asset to the Company as he is having vast experience in various fields.

In the opinion of the Board of Directors Mr. Ashwani Kumar fulfills the conditions specified in the Act and rules made there under and he is independent of the Management. He shall not be liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from September 20, 2014.

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

Date of Birth	14.07.1955
Expertise in Specific Areas	Practicing Chartered Accountant having experience for over last 37 years
Qualifications	FCA
Directorship in other Companies	D & M Components Limited Globe Trotters Private Limited Vardhman Industries Limited Prime Industries Limited Master Trust Limited SEL Manufacturing Company Limited SEL Textiles Limited
Shareholding in the Company as on 31.03.2015	NIL

Save and except Mr. Ashwani Kumar, none of the 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. 7 of the Notice for your approval.

#### ITEM NO. 8

Pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement and in accordance with the provision of the Articles of Association of the Company the Board of Directors based on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Pradeep Patni as an Additional Independent Director of the Company on 20<sup>th</sup> September 2014. According to the provisions of the Section 161 an Additional Director shall hold office till the Annual General Meeting. The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company.

Mr. Pradeep Patni has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and qualifies for being appointed as an Independent Director of the Company.

Mr. Pradeep Patni is a successful entrepreneur with over 31 years of experience in various business fields, including manufacturing, merchant banking and real estate. If appointed he will prove an asset to the Company as he is having vast experience in various fields.

In the opinion of the Board of Directors Mr. Pradeep Patni fulfills the conditions specified in the Act and rules made there under and he is independent of the Management. He shall not be liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from September 20, 2014.

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

Date of Birth	30.11.1960
Expertise in Specific Areas	Successful entrepreneur with over 31 years of experience in various business fields, including manufacturing, merchant banking and real estate
Qualifications	Master Degree in Commerce.
Directorship in other Companies	Samyak Shares And Stock Brokers Private Limited Siddh Finin Private Limited
Shareholding in the Company as on 31.03.2015	NIL

Save and except Mr. Pradeep Patni, none of the 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. 8 of the Notice for your approval.

#### ITEM NO. 9

Pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement and in accordance with the provision of the Articles of Association of the Company the Board of Directors based on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Sahil Goyal as an Additional Independent Director of the Company on 20<sup>th</sup> September 2014. According to the provisions of the Section 161 an Additional Director shall hold office till the Annual General Meeting. The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company.

Mr. Sahil Goyal has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and qualifies for being appointed as an Independent Director of the Company.

Mr. Sahil Goyal is having rich experience in manufacturing, marketing as well as commercial dealings with various companies. He has experience in dealing in real estate in India besides being a part of the family promoter group of a well diversified groups of the Country

In the opinion of the Board of Directors Mr. Sahil Goyal fulfills the conditions specified in the Act and rules made there under and he is independent of the Management. He shall not be liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from September 20, 2014.

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

Date of Birth	02.07.1983
Expertise in Specific Areas	He is having rich experience in Manufacturing, Marketing as well as commercial dealings with various companies.
Qualifications	Bachelor of Science Degree in Finance and International Business.
Directorship in other Companies	Merigold Agro Foods Private Limited Meri Gold Cans Limited Indoglobal Infratech Private Limited Garg Acrylics Limited
Shareholding in the Company as on 31.03.2015	Nil

Save and except Mr. Sahil Goyal, none of the 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. 9 of the Notice for your approval.

#### ITEM NO. 10

Pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement and in accordance

## BHUSHAN STEEL LIMITED

with the provision of the Articles of Association of the Company the Board of Directors based on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Rakesh Singhal as an Additional Independent Director of the Company on 14<sup>th</sup> February 2015. According to the provisions of the Section 161 an Additional Director shall hold office till the Annual General Meeting. The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company.

Mr. Rakesh Singhal has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and qualifies for being appointed as an Independent Director of the Company.

Mr. Rakesh Singhal is a successful entrepreneur with over 35 years of experience in various business fields including manufacturing and marketing of building materials. He has a deep business understanding.

In the opinion of the Board of Directors Mr. Rakesh Singhal fulfills the conditions specified in the Act and rules made there under and he is independent of the Management. He shall not be liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from February 14, 2015.

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

Date of Birth	05.02.1957
Expertise in Specific Areas	Successful entrepreneur with over 35 years of experience in various business fields including manufacturing and marketing of building materials.
Qualifications	Graduate
Directorship in other Companies	Haryana Forests Limited Ranjit Theatres Private Limited
Shareholding in the Company as on 31.03.2015	NIL

Save and except Mr. Rakesh Singhal, none of the 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.

### ITEM NO. 11

Pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement and in accordance with the provision of the Articles of Association of the Company the Board of Directors based on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Pankaj Sharma as an Additional Independent Director of the Company on 14<sup>th</sup> February 2015. According to the provisions of the Section 161 an Additional Director shall hold office till the Annual General Meeting. The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company.

Mr. Pankaj Sharma has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and qualifies for being appointed as an Independent Director of the Company.

Mr. Pankaj Sharma is Metallurgical Engineering Professional with over 31 years of rich cross functional experience in Long and Special profiles and Flat steel Products.

In the opinion of the Board of Directors Mr. Pankaj Sharma fulfills the

conditions specified in the Act and rules made there under and he is independent of the Management. He shall not be liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from February 14, 2015.

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

Date of Birth	24.02.1962
Expertise in Specific Areas	A Metallurgical Engineering Professional with over 31 years of rich cross functional experience in Long and Special profiles and Flat steel Products.
Qualifications	B.E. (Met.)
Directorship in other Companies	NIL
Shareholding in the Company as on 31.03.2015	NIL

Save and except Mr. Pankaj Sharma, none of the 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. 11 of the Notice for your approval.

### ITEM NO. 12

Pursuant to the provisions of Section 149 and 161 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement and in accordance with the provision of the Articles of Association of the Company the Board of Directors based on the recommendation of the Nomination and Remuneration Committee has appointed Mr. Kapil Vaish as an Additional Independent Director of the Company on 14<sup>th</sup> August 2015. According to the provisions of the Section 161 an Additional Director shall hold office till the Annual General Meeting. The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent director of the Company.

Mr. Kapil Vaish has given a declaration that he meets with the criteria of independence as provided in sub section (6) of Section 149 of the Act and qualifies for being appointed as an Independent Director of the Company.

Mr. Kapil Vaish is fellow member of Institute of Chartered Accountants of India (ICAI) and he is an eminent faculty of the Certification Course being organized by "Indirect Tax Law Committee of ICAI".

In the opinion of the Board of Directors Mr. Kapil Vaish fulfills the conditions specified in the Act and rules made there under and he is independent of the Management. He shall not be liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from August 14, 2015.

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

Date of Birth	09.06.1961
Expertise in Specific Areas	Practicing Chartered Accountant having more than 27 years of experience. He is an eminent faculty of the Certification Course being organized by "Indirect Tax Law Committee of ICAI."
Qualifications	FCA, ACS, LLB
Directorship in other Companies	1. Vaish tax Consultants Private Limited 2. U.P. State Construction and Infrastructure Development Corporation Limited
Shareholding in the Company as on 31.03.2015	NIL



**BHUSHAN**

Save and except Mr. Kapil Vaish, none of the 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. 12 of the Notice for your approval.

#### **ITEM NO. 13**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 13 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors, 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. 13 of the Notice.

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

#### **ITEM NO. 14**

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	18,25,000 Redeemable Cumulative Preference Shares of ₹100/- each to be issued at such rate not exceeding ₹3000/- per share (including maximum premium @ ₹2900/- per share ) for an amount not exceeding ₹547.50 Cr. to various entities/persons including Promoters/ Promoter Group & Associates, whether or not they are Member(s) of the Company.
b	Nature of such shares i.e. cumulative or non - cumulative, participating or non - participating, convertible or non - convertible	Cumulative, non - participating , and non - convertible

c	Objectives of the issue	To meet the fund requirements of the Company for expansion and/or modernization of existing business, development of infrastructure for future growth (organic as well as inorganic), capital expenditure, working capital requirements, repayment of debts/indebtedness and for other approved general corporate objectives from time to time		
d	Manner of issue of shares	Private Placement		
e	Price at which such shares are proposed to be issued	As per Resolution		
f	Basis on which the price has been arrived at	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, 2015*:		
		<b>Category</b>	<b>No. of Shares</b>	<b>% to Equity Capital</b>
		Promoter	133753206	59.05
		Public	92761540	40.95
		Total	226514746	100.00
		*Detailed shareholding pattern as on 30.06.2015 on the website of BSE Ltd. i.e. www.bseindia.com and National Stock Exchange of India Ltd. i.e. www.nseindia.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. 14 of the Notice.

## BHUSHAN STEEL LIMITED

The board recommends the special Resolution set out at Item No. 14 of the Notice for approval by the shareholders.

### ITEM NO. 15 & 16

At present, the Authorised Share Capital of the Company is ₹275.00 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. 13, Board recommend that the Authorised Share Capital of the Company be increased from ₹275.00 Crore to ₹285.00 Crore by creation of 10,00,000 Preference shares of ₹100 each 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. 15 &16 of the Notice.

Registered Office: Bhushan Centre,  
Ground Floor, Hyatt Regency  
Complex, Bhikaji Cama Place, New  
Delhi-110066  
CIN L74899DL1983PLC014942  
Website: [www.bhushansteel.com](http://www.bhushansteel.com)

By order of the Board

Dated :14.08.2015  
Place : New Delhi

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