

MINUTES OF THE PROCEEDINGS OF THE SEVENTH ANNUAL GENERAL MEETING OF ELECTROSTEEL STEELS LIMITED HELD AT PREZ HALL, CAPITOL HILL HOTEL, MAHATMA GANDHI MARG, MAIN ROAD, RANCHI-834001 ON TUESDAY, THE 16TH SEPTEMBER 2014 AT 12.30 P.M.

PRESENT

Mr. Rajkumar Khanna	Chairman
Mr. Lalit Kumar Singhi	Director
Mr. Jinendra Kumar Jain	Director
Mr. Ashutosh Agarwal	Member

And 38 Members as per attendance slips received were present in the meeting

IN ATTENDANCE

Mr. Anubhav Maheshwari	Company Secretary
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Mr Rajkumar Khanna presided over the meeting & welcome the members at the 7th Annual General Meeting of the Company.

On being informed by the Company Secretary that the quorum of the meeting being present in terms of Section 103 of the Companies Act 2013 (Act), the Chairman declared the meeting as open.

The Chairman stated that the Statutory Registers and other documents as mentioned in the Notice of the meeting dated 5th May 2014 (Notice) were kept open and accessible for inspection during the continuance of the Meeting.

The Company Secretary informed that since the relevant provisions of the Act and rules notified thereunder have been made effective from 1st April 2014, therefore the proceedings of the meeting shall be carried out as per the Act.

The Chairman thereafter requested Mr Ashutosh Agarwal, Executive Director- Finance of the Company, to provide an update on the performance of the Company. Mr Agarwal stated that the Plant had already operationalized and the operational flow was expected to improve in the future. Mr Agrawal briefed the Members present about the present status of project completed, project under construction and project under operation. He expressed his sincere thanks to all stakeholders like shareholders, investors, bankers, financial institution, suppliers, customers and employees of the Company for their strong and unflinching support towards the growth of the Company.

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For ELECTROSTEEL STEELS LIMITED


Company Secretary

Thereafter, with the consent of all the Members present, the Notice convening the meeting was taken as read.

The Company Secretary stated that in compliance with the Listing Agreement and provisions of the Act read with rules made therein, the Company had provided e-voting facilities to the shareholders in respect of all resolutions to be passed at the Annual General Meeting (AGM). The Company had availed the services of Karvy Computershare Private Limited, Registrar & Share Agent of the Company, for facilitating e-voting facilities during the e-voting period i.e. from 9.30 A.M. 9th September 2014 to 6.00 P.M. 10th September 2014. During the e-voting period, shareholders of the Company holding shares in physical form or dematerialised form as on cut off date i.e. 1st August 2014 were considered for e-voting. The Board had appointed Mr Mukesh Rathi, Practising Company Secretary, as Scrutinizer for conducting e-voting in a fair and transparent manner. The Company Secretary stated that the Scrutinizer has submitted the report dated 15th September 2014 on the electronic voting to the Chairman before AGM.

The Chairman stated that in view of the clarifications and explanations issued by the Ministry of Corporate Affairs, from time to time, on e-voting and to provide for wider shareholders participation in the decision making process, he would like to seek consent of the Members present at the meeting, in person, who could not vote by e-voting, if they wish to cast their vote by way of Poll at the meeting on all the resolutions proposed in the AGM Notice. He further stated that the Poll would be conducted at the venue of the AGM after transactions of all the items of business mentioned in the Notice. Mr Mukesh Rathi, Practising Company Secretary, to whom the Board had appointed as Scrutinizer for conducting e-voting, was present in the meeting and would also act as Scrutinizer for the purpose of the Poll.


The Company Secretary stated that the votes cast by the shareholder through e-voting would prevail over the vote, if any, cast by the same Member by way of Poll at the venue. Therefore, Members were requested not to vote on Poll since his earlier vote through e-voting shall be treated as final.

The Chairman then invited the Members to raise their queries/comments, if any, on the agenda items as set out in the Notice of the 7th Annual General Meeting.

The Chairman thanked the Members for taking keen interest in the affairs of the Company. The queries/ observations were duly addressed to by Mr Ashutosh Agarwal.

Thereafter, the Chairman proceeded to transact the business of the meeting as contained in the Notice convening the AGM:

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For ELECTROSTEEL STEELS LIMITED


Company Secretary

1 ADOPTION OF ANNUAL ACCOUNTS AND REPORTS OF THE DIRECTORS AND AUDITORS FOR THE YEAR ENDED 31ST MARCH 2014

The Chairman put the following Resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT the Audited Balance Sheet as at 31st March 2014, Statement of Profit & Loss Account for the Financial year ended on that date and Cash Flow Statement for the year ended on that date together with the Reports of the Directors and Auditors thereon be and are hereby received, considered and adopted."

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

2 RE-APPOINTMENT OF MR. UMANG KEJRIWAL (DIN 00065173) AS DIRECTOR OF THE COMPANY

The Chairman thereafter put the following Resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT Mr. Umang Kejriwal, who retires by rotation at this Meeting, be and is hereby re-appointed as Director of the Company."

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted


3 RE-APPOINTMENT OF MR. LALIT KUMAR SINGHI (DIN 00893144) AS DIRECTOR OF THE COMPANY

The Chairman thereafter put the following Resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT Mr. Lalit Kumar Singhi, who retires by rotation at this Meeting, be and is hereby re-appointed as Director of the Company."

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be

General Manager
For ELECTROSTEEL SUPPLIES LIMITED


Company Secretary

declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted

4 APPOINTMENT OF STATUTORY AUDITORS

The Chairman thereafter put the following Resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Messers B Chhawchharia & Co., Chartered Accountants (Registration No. (FRN: 305123E), the retiring Auditors, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of 10th Annual General Meeting (subject to ratification by the members at every subsequent AGM) on such remuneration as may be determined by the Board of Directors in addition to reimbursement of all out of pocket expenses in connection with the audit of the financial statements of the Company.”

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

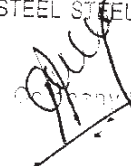
5 RE-APPOINTMENT OF MR JINENDRA KUMAR JAIN (DIN 00737352) AS AN INDEPENDENT DIRECTOR

The Chairman thereafter put the following Resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Mr. Jinendra Kumar Jain, who was earlier appointed and designated as an Independent Director of the Company in requirement of the Listing Agreement entered into with the Stock Exchanges and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Jinendra Kumar Jain as a candidate for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of five consecutive years upto March 31, 2019”

“**RESOLVED FURTHER THAT** Mr. Jinendra Kumar Jain will not be liable to retire by rotation.”

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For ELECTROSTEEL STEELS LIMITED


Company Secretary

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

6 RE-APPOINTMENT OF MR. NARESH PACHISIA (DIN 00233768) AS AN INDEPENDENT DIRECTOR

The Chairman thereafter put the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Mr. Naresh Pachisia, who was earlier appointed and designated as an Independent Director of the Company in requirement of the Listing Agreement entered into with the Stock Exchanges and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Naresh Pachisia as a candidate for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of five consecutive years upto March 31, 2019”

“RESOLVED FURTHER THAT Mr. Naresh Pachisia will not be liable to retire by rotation.”


The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

7 RE-APPOINTMENT OF MR. RAJKUMAR KHANNA (DIN 05180042) AS AN INDEPENDENT DIRECTOR

The Chairman stated that the next resolution relates to his appointment as Independent Director of the Company and since he was deemed to be interested in the resolution, he requested Mr. Lalit Kumar Singhi, Director to Chair the meeting. Thereafter, Mr. Lalit Kumar Singhi thanked the Chairman and placed the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Mr. Rajkumar Khanna, who was appointed as an Additional Director of

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For ELECTROSTEEL STEEL LIMITED


Secretary

the Company by the Board of Directors with effect from 5th May, 2014 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Rajkumar Khanna as a candidate for the office of Director of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of five consecutive years upto May 4, 2019”

“RESOLVED FURTHER THAT Mr. Rajkumar Khanna will not be liable to retire by rotation.”

Mr Lalit Kumar Singhi stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

Thereafter, Mr Lalit Kumar Singhi requested Mr. Rajkumar Khanna to Chair the meeting for further proceedings.

Mr Rajkumar Khanna thanked the Members and thereafter resumed Chairing the meeting.

8 RE-APPOINTMENT OF MR. SUNIL VASANT DIWAKAR (DIN 00089266), LIABLE TO RETIRE BY ROTATION

The Chairman thereafter put the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Sunil Vasant Diwakar, who was earlier appointed as a Nominee Director, not liable to retire by rotation, of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Sunil Vasant Diwakar as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

FOR ELECTROSTEEL STEELS LIMITED

Company Secretary

9 RE-APPOINTMENT OF M/s S.G. & ASSOCIATES AS COST AUDITORS OF THE COMPANY

The Chairman thereafter put the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT M/s S. G. & Associates, Cost Accountants be and are hereby re-appointed as the Cost Auditors of the Company, in terms of Section 148 of the Companies Act, 2013 read together with relevant rules thereunder, to conduct the Cost Audit of the Company for the financial year 2014-2015 at a remuneration of Rs 40,000 plus reimbursement of out of Pocket and other incidental expenses.”

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed an Ordinary Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

10 HOLDING OF OFFICE OR PLACE OF PROFIT BY MS RADHA KINKARI KEJRIWAL, A RELATIVE OF DIRECTOR, UNDER SECTION 188 OF THE COMPANIES ACT 188 OF THE COMPANIES ACT 2013

The Chairman thereafter put 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, Director of the Company, to hold office or place of profit under the Company as ‘officer on special duty’ on a revised remuneration of Rs- 80,00,000 p.a. w.e.f 01.04.2014 with yearly increase of Rs.10,00,000 p.a (i.e Rs. 90,00,000 p.a w.e.f 01.04.2015 and Rs. 100,00,000 p.a w.e.f. 01.04.2016) and as per such terms and conditions as may be decided by the Board.”

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed as a Special Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

General Manager
For ELECTROSTEEL STEELS LIMITED


Company Secretary

11 RELATED PARTY TRANSACTIONS

The Chairman thereafter put 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 entering into the related parties transactions with Electrosteel Castings Ltd and Lanco Industries Ltd as given below, and such other transactions as required in connection to efficiently carry out the operations of the Company for the period 1st April, 2014 till 30th September, 2015.

A) Purchases & Services to be received (Limit of Rs-1000 crores for the period 1st April 2014 till 30th September, 2015)

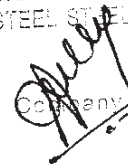
- a) Purchase of Coal / Coke of different varieties including coal rejects midlinks etc.
- b) Iron-ore and other raw materials or ancillary items for the business of the Company.
- c) Rent agreements for hiring of space of any type in connection with the business of the Company (not exceeding in aggregate of Rs- 5 crore within the aggregate limit given in (A) above)
- d) All types of services to be received in connection with the business of the Company. (Not exceeding in aggregate of Rs- 100 crore within the aggregate limit given in (A) above)
- e) Sub-limit for Lanco Industries Ltd: Rs. 200 crores for transactions from (a) to (d) above in the overall limit of Rs. 1000 crores.

B) Sales/ Services to be rendered (Limit of Rs-1000 crores for the period 1st April 2014 till 30th September, 2015)

- a) Sale 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 rendered
- d) Sub-limit for Lanco Industries Ltd: Rs. 200 crores for transactions mentioned from (a) to (c) above in the overall limit of Rs. 1000 crores.

The Chairman stated that as per the Scrutinizer Report dated 15th September 2014 the aforesaid resolution was passed as a Special Resolution by requisite majority through e-voting. However, the final result in respect of the Resolution would be declared after taking into consideration the votes cast on Poll, if any, to be taken at the venue after all business are transacted.

SECRETARY
FOR ELECTROSTEEL CASTINGS LIMITED


Company Secretary

The Chairman thereafter, ordered the Poll on all the Resolutions for the ordinary and special businesses as set out in the Notice of the AGM and requested all the Members present and entitled to vote, to participate in the Poll to be taken immediately after the closure of the meeting and shall remain open till the Members participating in the Poll had casted their votes.

The Chairman invited Mr Mukesh Rathi, Practicing Company Secretary, to scrutinize the Poll proceedings and requested him to submit the report on and before 10.30 A.M. on 18th September 2014.


Mr Mukesh Rathi conducted the Poll by arranging the Poll papers and distributing them among the Members present in the meeting. Mr Mukesh Rathi, showed empty polling boxes and thereafter locked and sealed the empty Polling boxes in presence of the Members. After ensuring that all Members participating in the Poll had casted their votes, the Scrutinizer closed the Poll at 2.30 P.M. The Scrutinizer then took the custody of the polling papers. The Company Secretary informed that on the basis of the Scrutinizer Report dated 15th September 2014 for e-voting and the Scrutinizer Report on the Poll at the Annual General Meeting, the results would be declared on 18th September 2014 latest by 12.30 p.m. and shall be sent to the Stock Exchanges and will be available on the Company's website www.electrosteelsteels.com and of Karvy Website.

The Chairman thanked the Members present and stated that since business of the meeting was over, the meeting was declared as concluded.

Result of the E-voting and Poll conducted on the items of Ordinary and Special business at the Annual General Meeting held on 16th September 2014

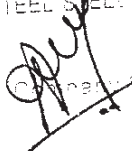
On the basis of the Scrutinizer Report for e-voting dated 15th September 2014 and the Scrutinizer Report dated 18th September 2014 for the Poll at the Annual General Meeting dated 16th September 2014, all resolutions for the ordinary and special business as set out in the notice of the Annual General Meeting have been passed with requisite majority. The combined results of the e-voting and poll are as under:

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For ELECTROSTEEL STEELS LIMITED


Company Secretary

Sl No	Item of Business	Particulars of votes cast (E-voting and Poll)		
		% of valid votes in favour	% of valid Votes in against	% of valid Votes abstained
Ordinary Business				
1	Ordinary Resolution for Adoption of Annual Accounts and Reports of the Directors and Auditors for the year ended 31 st March 2014.	99.9995	0.0005	-
2	Ordinary Resolution to appoint a Director in place of Mr. Umang Kejriwal (DIN 00065173) who retires by rotation and is eligible for re-appointment.	99.9995	0.0005	-
3	Ordinary Resolution to appoint a Director in place of Mr. Lalit Kumar Singhi (DIN 00893144) who retires by rotation and is eligible for re-appointment.	99.9995	0.0005	-
4	Ordinary Resolution to appoint M/s. B Chhawchharia & Co., Chartered Accountants, Statutory Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of 10th Annual General Meeting and fix their remuneration.	99.9995	0.0005	-
Special Business				
5	Ordinary Resolution for Re-appointment of Mr. Jinendra Kumar Jain (DIN 00737352) as an Independent Director for a term of five years.	99.9995	0.0005	-
6	Ordinary Resolution for Re-appointment of Mr. Naresh Pachisia (DIN 00233768) as an Independent Director for a term of five years.	99.9995	0.0005	-
7	Ordinary Resolution for Appointment of Mr. Raj Kumar Khanna (DIN 05180042) as an Independent Director for a term of five years.	99.9995	0.0005	-
8	Ordinary Resolution for Re-appointment of Mr. Sunil Vasant Diwakar (DIN 00089266) as a Director liable to retire by rotation.	99.9966	0.0034	-

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For ELECTROSTEEL STEELS LIMITED


Company Secretary

9	Ordinary Resolution for Re-appointment of M/s S.G. & Associates as Cost Auditors of the Company.	99.9995	0.0005	-
10	Special Resolution 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. #	92.0211#	7.9789	52.0775
11	Special Resolution for Related Party Transactions.#	99.9929	0.0071	52.140

Interested / related parties have been treated as abstained/invalid

The Chairman declared that all the resolutions for the ordinary and special business as set out in Item Nos 1 to 11 in the Notice dated 5th May 2014 for the Annual General Meeting has been carried out by the shareholders of the Company by e-voting and poll by requisite majority.

Date: 8th October 2014

SD/-
Raj Kumar Khanna
CHAIRMAN
DIN : 05180042

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For ELECTROSTEEL STEELS LIMITED

