

KALYANI STEELS LIMITED
REGD. OFFICE : MUNDHWA, PUNE – 411 036

MINUTES OF THE FORTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF KALYANI STEELS LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY AT MUNDHWA, PUNE – 411 036, ON WEDNESDAY, THE 24TH DAY OF JULY, 2013, AT 11.00 A.M. (I.S.T.)

Forty Four Members, including Proxy holders were present. All the Directors of the Company, except Mr.B.N. Kalyani, Chairman of the Company were present. Mr.S.S. Vaidya, Chairman of the Audit Committee was also present.

Mr.R.K. Goyal, Managing Director of the Company declared that since Mr.B.N. Kalyani is out of station, pursuant to provisions of the Articles of Association, the Board of Directors of the Company, has elected Mr.Amit B. Kalyani, as the Chairman of the meeting and he requested Mr.Amit B. Kalyani to Chair the meeting.

Mr.Amit B. Kalyani, accepted the request and commenced the proceedings after declaring that the meeting had the requisite quorum.

The Notice dated 24th May, 2013 convening the meeting was with the consent of all the members present, taken as read. Thereafter the Chairman addressed the members. Mrs.D.R. Puranik, Company Secretary, then read out the Auditors' Report.

The Chairman invited the attention of the members to the Balance Sheet as at 31st March, 2013 and to the Statement of Profit and Loss for the year ended 31st March, 2013 of the Company, sent to the members along with the Directors' Report and Auditors' Report and requested them to receive and adopt the same.

The Chairman then expressed that members desirous of seeking clarifications, if any, may do so. Thereafter no clarifications were sought by the members. Thereafter the Chairman proposed the following resolution as an Ordinary Resolution :

1] ADOPTION OF ANNUAL ACCOUNTS

"RESOLVED THAT the Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby approved and adopted."

Mr.Satish Kamalapurkar, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

2] DECLARATION OF DIVIDEND ON EQUITY SHARES

Ms.Kalpna Ghag, a member of the Company, proposed and moved the following resolution as an Ordinary Resolution :

"RESOLVED THAT dividend of Rs.1.50/- per Equity Share of Rs.5/- each i.e. 30%, for the year ended 31st March, 2013 be and is hereby declared on Equity Share Capital of the Company."

Mr.Ravindra Bonagir, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

3] RE-APPOINTMENT OF MR.B.B. HATTARKI, AS A DIRECTOR

Mr.P.P. Bhave, a member of the Company, proposed and moved the following resolution as an Ordinary Resolution :



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"RESOLVED THAT Mr.B.B. Hattarki, Director, who retires by rotation and is eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

Mr.Satish Katu, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

4] RE-APPOINTMENT OF MR.S.S. VAIDYA, AS A DIRECTOR

Mr.Nitin Joshi, a member of the Company, proposed and moved the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mr.S.S. Vaidya, Director, who retires by rotation and is eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

Mr.D.Y. Khandekar, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

5] RE-APPOINTMENT OF MR.M.U. TAKALE, AS A DIRECTOR

Mr.Ravindra Bonagir, a member of the Company, proposed and moved the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mr.M.U. Takale, Director, who retires by rotation and is eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

Mr.Satish Katu, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present except by Mr.M.U. Takale, who did not participate in the proceedings and abstained from voting, being interested.

6] RE-APPOINTMENT OF AUDITORS

Mr.Umesh Amle, a member of the Company, proposed and moved the following resolution as an Ordinary Resolution :

"RESOLVED THAT the Company's Auditors, M/s.P.G. Bhagwat, Chartered Accountants, Pune (Firm Registration No.101118W), be and are hereby re-appointed as Auditors of the Company to hold the 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 said period."

Mr.Jitendra Gurjar, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

7] INCREASE IN BORROWING LIMITS OF THE COMPANY

Ms.Kalpna Ghag, a member of the Company, proposed and moved the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing money for and on behalf of the Company from time-to-time as and when required by the Company, provided that the moneys so borrowed (apart from temporary loans obtained from time-to-time by the Company from its bankers in the



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ordinary course of business) shall not exceed Rs.10,000 Million (Rupees Ten Thousand Million only) over and above the aggregate of Paid-up Share Capital of the Company and its Free Reserves i.e. Reserves not set apart for any specific purpose, as the Board may from time-to-time deem necessary.”

Mr.D.Y. Khandekar, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

8] **AUTHORISATION FOR SECURING
BORROWINGS OF THE COMPANY**

Mr.Viraj Pandit, a member of the Company, proposed and moved the following resolution as an Ordinary Resolution :

“RESOLVED THAT consent of the Company be and is hereby accorded under Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall also include the Finance Committee of Directors) for mortgaging, hypothecating, charging and pledging and / or creating a floating charge and / or liens, charges and encumbrances of whatsoever nature on all or any of the Company's assets and properties whether immovable, movable, current assets or stock in trade (including raw materials, stores, spare parts and components, in stock or in transit) and work in process and the whole or substantially whole of all or any of the undertakings of the Company, wheresoever situate, present and future, on such terms and conditions and in such form and manner as the Board may think fit and proper, in favour of banks / financial institutions / other lenders / trustees of the holders of debentures / securities, for securing loans (including foreign currency loans) / debentures / securities, aggregating to a nominal value not exceeding Rs.15,000 Million (Rupees Fifteen Thousand Million only) to be availed / issued from time-to-time in one or more tranches under its borrowing powers, together with interest, compound interest and all costs, charges and expenses and all other monies as may become due and payable by the Company in that behalf and to vary or modify existing securities, from time-to-time, in such manner and in such form on all or any of the properties or part of any of the property and the undertakings of the Company, both present and future, as may be decided by the Board and as agreed to by the said banks / financial institutions / other lenders / trustees of the holders of debentures / securities.

FURTHER RESOLVED THAT the Board be and is hereby authorised to sign and execute all such documents, deeds and writings and to do all such acts and things as may be necessary for giving effect to the above resolution.”

Mr.P.P. Bhave, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

9] **REVISION IN REMUNERATION OF
MR.R.K. GOYAL, MANAGING DIRECTOR**

Mr.Umesh Amle, a member of the Company, proposed and moved the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the said Act and subject to such approvals, as may be necessary, the approval of the Members be and is hereby accorded to the revision in terms of remuneration of



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Mr.R.K. Goyal, Managing Director, of the Company, for a period from 1st April, 2013 to 16th January, 2016, which shall be as follows :

(I) Salary :

- A) Basic Salary of Rs.900,000/- (Rupees Nine Hundred Thousand only) per month in the grade of Rs.800,000/- to Rs.1,200,000/-.
- B) Special Allowance of Rs.540,000/- (Rupees Five Hundred Forty Thousand only) per month.
- C) Additional Special Allowance of Rs.540,000/- (Rupees Five Hundred Forty Thousand only) per month.

(II) Perquisites :

In addition to Salary payable, the Managing Director shall be entitled to the following perquisites which unless the context otherwise requires, are classified into three Categories 'A', 'B' and 'C' as follows :

Category 'A'

This shall comprise Housing, Medical Reimbursement and Leave Travel Concession. These shall be provided as under :

i) Housing :

- a) The Company shall provide furnished accommodation to the Managing Director and his family.
- b) In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance of Rs.270,000/- (Rupees Two Hundred Seventy Thousand only) per month.

ii) Medical Reimbursement :

Expenses incurred for the Managing Director and his family subject to the ceiling of Rs.7,000/- (Rupees Seven Thousand only) per month.

iii) Leave Travel Concession :

For the Managing Director and his family in accordance with the rules of the Company.

Explanation :

For the purpose of Category 'A', 'family' means the spouse, the dependent children and dependent parents of the Managing Director.

Category 'B'

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceilings on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Gratuity to be paid as per the rules of the Company.



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3. Encashment of leave at the end of the tenure.
4. Retirement and other benefits as per the rules of the Company.

Category 'C'

Provision of car with driver for use on Company's business and telephone at residence will 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 Managing Director.

(III) Commission :

Variable compensation as Bonus / Commission as may be determined by the Board of Directors of the Company.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised and empowered to make revisions in the terms of remuneration of Mr.R.K. Goyal, Managing Director, from time-to-time within the prescribed grades, the intention being that no further approval of the Company will be required.

FURTHER RESOLVED THAT if the Company has no profits or its profits are inadequate, in any financial year, i.e. during 2013-14 or 2014-15 or during the period from 1st April, 2015 to 16th January, 2016, then the Company shall pay to Mr.R.K. Goyal, Managing Director, the remuneration by way of Salary and Perquisites as specified above, including any revisions thereof, if any from time-to-time, as the Minimum Remuneration, subject to requisite approvals (if any) as may be required under the Companies Act, 1956."

Mr.Nitin Joshi, a member of the Company, seconded the resolution. The resolution was put to vote and was passed unanimously, by all the members present.

The meeting concluded with the vote of thanks to the Chair.


CHAIRMAN OF THE MEETING

5-8-2013

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