



TSIL/SE/2018-19/33

November 17, 2018

**The Secretary, Listing Department
BSE Limited**
P. J. Towers
Dalal Street
Mumbai 400 001

**The Manager, Listing Department
National Stock Exchange of India Limited**
“Exchange Plaza”, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051

Security Code: 513010

Symbol: TATASPONGE

Dear Sir/ Madam,

Sub: Notice of Extraordinary General Meeting of Tata Sponge Iron Limited (“the Company”)

This is to inform you that the Board of Directors of the Company approved the notice convening Extraordinary General Meeting (EGM) by way of resolution passed by circulation on November 16, 2018, to consider and if thought fit, to pass the following special resolutions:

1. Increase in Borrowing Limits;
2. Creation of Charges;
3. Increase in the Authorised Share Capital of the Company and consequent amendment of capital clause in the Memorandum and Articles of Association of the Company;
4. Issue, offer and allotment of 11.30% Non-Convertible Redeemable Preference Shares on private placement basis to Tata Steel Limited.

We enclose herewith the notice convening the aforesaid EGM scheduled to be held on Friday, December 14, 2018 at 10:30 a.m. at Lake View Officers’ Recreation Centre, TSIL Township, Joda, Dist – Keonjhar, Odisha – 758 034. The said notice is also available on the Company’s website www.tatasponge.com

The disclosure is being made in compliance with Regulation 30 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”).

This is for your information and records.

Thanking you,

Yours faithfully,

For **Tata Sponge Iron Limited**

Sanjay Kasture
Chief Risk & Compliance Officer
and Company Secretary

Encl:- As above

TATA Sponge Iron Limited

PO Joda Dist Keonjhar Orissa 758 034 India

Tel 91 6767 278178 Fax 278129 Email: info@tatasponge.com, Website : www.tatasponge.com

CIN: L27102OR1982PLC001091



TATA SPONGE IRON LIMITED

Redg Office: P. O. Joda, Dist Keonjhar, Odisha 758 034

Corporate Identification No. (CIN) : L27102OR1982PLC001091

Phone 06767-278122 Fax: 06767-278159, E-mail: investstorcell@tatasponge.com. Website: www.tatasponge.com

NOTICE OF EXTRAORDINARY GENERAL MEETING OF TATA SPONGE IRON LIMITED

Notice is hereby given that an Extraordinary General Meeting ("EGM") of the Members of Tata Sponge Iron Limited (hereinafter referred to as "Company") will be held on Friday, December 14, 2018 at 10:30 a.m. (IST) at Lake View Officers' Recreation Centre, TSIL Township, Joda, Dist - Keonjhar, Odisha - 758 034, to transact the following businesses:

Special Businesses

Item No. 1: Increase in Borrowing Limits

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

"RESOLVED THAT in supersession of the earlier resolution passed by the Shareholders of the Company at the Annual General Meeting of the Company held on August 21, 2015 in relation to the exercise of borrowing power, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder (including any modification or re-enactment thereof), for the time being in force, and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which expression includes any Committee constituted by the Board to exercise its powers, including powers conferred by this resolution) to borrow, from time to time, such sum(s) of monies in any manner, from time to time, with or without security, and upon such terms and conditions as it deems appropriate, notwithstanding that the aggregate of monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company, its free reserves and securities premium, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 5,000 crore (Rupees Five Thousand crore) or the aggregate of the paid up capital, free reserves and securities premium of the Company, whichever is higher.

RESOLVED FURTHER THAT the Board and such person(s) authorized by the Board be and are hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution, including but not limited to settle any questions or resolve difficulties that may arise in this regard."

Item No. 2: Creation of Charges

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

"RESOLVED THAT in supersession of the earlier resolution passed by the Shareholders of the Company at the Annual General Meeting of the Company held on August 21, 2015 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder (including any modification or re-enactment thereof), for the time being in force, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which expression includes any Committee constituted by the Board to exercise its powers, including powers conferred by this resolution) to create such mortgages, charges and hypothecations as may be necessary, in addition to the existing mortgages, charges and hypothecations created by the Company, on all movable and immovable properties of the Company, both present and future, and in such form

and manner as the Board may deem fit, together with power to takeover substantial assets of the Company, in certain events, to or in favor of any person, including, but not limited to banks, financial institutions, other investing agencies and trustees for the holders of debentures/bonds/ other instruments, to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to equity shares and/or rupee or foreign currency convertible bonds and/or rupee/foreign currency bonds and/or bonds with share warrants attached, as permitted (hereinafter collectively referred to as "Loans") provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs. 5,000 crore (Rupees Five Thousand crore) or the aggregate of the paid up capital, free reserves and securities premium of the Company, whichever is higher.

RESOLVED FURTHER THAT the Board and such person(s) authorized by the Board be and are hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution, including but not limited to settle any questions or resolve difficulties that may arise in this regard."

Item No. 3: Increase in the Authorised Share Capital of the Company and consequent amendment of capital clause in the Memorandum and Articles of Association of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 13, 14, 61 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, (including any modification or re-enactment thereof), for the time being in force, and subject to the provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to increase the Authorised Share Capital of the Company from existing Rs. 25,00,00,000 (Rupees Twenty-Five crore only) divided into 2,50,00,000 (Two crore Fifty Lakh) Equity Shares of Rs. 10 each, to Rs. 2075,00,00,000 (Rupees Two Thousand Seventy-Five crore), comprising of:

- i. Rs.75,00,00,000 (Rupees Seventy-Five crore only) equity share capital divided into 7,50,00,000 (Seven crore Fifty Lakh) Equity Shares of Rs.10 each, and
- ii. Rs. 2000,00,00,000 (Rupees Two Thousand crore only) preference share capital divided into 20,00,00,000 (Twenty crore) Non-Convertible Redeemable Preference Shares of Rs. 100 each;
 - a. Consequently, the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V with the following:
 - V. *The authorised share capital of the Company is Rs. 2075,00,00,000 (Rupees Two Thousand Seventy-Five crore only) divided into 7,50,00,000 (Seven crore Fifty Lakh) Equity Shares of Rs. 10 each and 20,00,00,000 (Twenty crore) Non-Convertible Redeemable Preference Shares of Rs. 100 each with the rights, privileges, and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, provided that the*

Company shall always have the power to issue shares at a premium and redeemable preference shares, to increase or to reduce its capital and to divide the shares in the capital for the time being, into several classes and attach thereto respectively such preferential qualified or special rights, privileges or conditions as may be permissible by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force and to vary, modify or abrogate any such rights, privileges, or conditions in such manner as may be permitted by law and/or as may be provided in the Articles of Association of the Company for the time being in force.

b. Article 6 of the Articles of Association of the Company be and is hereby amended and substituted by the following:

6. *The Authorised Share Capital of the Company is Rs. 2075,00,00,000 (Rupees Two Thousand Seventy-Five crore only) divided into 7,50,00,000 (Seven crore Fifty Lakh) equity shares of Rs. 10 each and 20,00,00,000 (Twenty crore) non-convertible redeemable preference shares of Rs. 100 each provided that the Company may always increase or reduce, sub-divide or consolidate its share capital by such amount as it thinks expedient and issue shares at a premium subject to the provisions of the Companies Act, 2013.*

RESOLVED FURTHER THAT the Board and such person(s) authorized by the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution, including but not limited to settle any questions or resolve difficulties that may arise in this regard.”

Item No. 4: Issue, offer and allotment of 11.30% Non-Convertible Redeemable Preference Shares on private placement basis to Tata Steel Limited

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

“**RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 55 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014, (including any modification or re-enactment thereof), for the time being in force, and the provisions of the Memorandum of Association and the Articles of Association of the Company and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed in granting of such approvals, permissions and sanctions by any of the authorities, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which expression includes any Committee constituted by the Board to exercise its powers, including powers conferred by this resolution) to create, offer, issue and allot, in one or more tranches, Non-Convertible Redeemable Preference Shares of face value of Rs. 100 each (“**NCRPS**”), for an amount not exceeding Rs. 1,000 crore (Rupees One Thousand crore only) to Tata Steel Limited, the promoter of the Company, on a private placement basis, proposed to be utilised towards funding the growth plans of the Company, including the proposed acquisition of steel business of Usha Martin Limited and/or any other purposes as may be determined by the Board, on such terms and conditions as set out in the Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT in accordance with the provisions of Section 55 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, including any modification or re-enactment thereof, the particulars in respect of the offer are as under:

1. NCRPS shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment of capital;
2. NCRPS shall be non-participating in the surplus funds;

3. NCRPS shall be non-participating in surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company;
4. Holders of NCRPS shall be paid dividend on a non-cumulative basis;
5. NCRPS shall not be convertible into equity shares;
6. NCRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013;
7. NCRPS shall be redeemable at par upon maturity or optional early redemption at the option of the Company annually at 12 monthly intervals from the date of allotment.
8. NCRPS will carry a coupon rate of 11.30% p.a.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds and things and take all such steps and actions, execute all such deeds, documents and writings and also give such directions and delegations, as it may in its absolute discretion deem fit, including paying such fees and incurring such expenses in relation thereto and file documents, forms, etc. as required with the regulatory/ statutory authorities and authorise the officials of the Company for the aforesaid purpose, as deemed fit.”

Notes:

- 1) The Statement, pursuant to Section 102 of the Companies Act, 2013 (“**the Act**”), in respect of the business under Item Nos. 1 to 4 above is annexed hereto.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS/ HER BEHALF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
Proxies, in order to be effective, must be received at the Registered Office of the Company at P. O. Joda, Dist, Keonjhar, Odisha - 758 034, in not less than 48 hours before this Extraordinary General Meeting. A Proxy Form is enclosed along with this Notice. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution or authority as applicable.
- 3) Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
- 4) In case of joint holders attending the Meeting, only such joint holders who are higher in the order of the names will be entitled to vote.
- 5) Members/ Proxies/ Authorized Representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- 6) Section 20 of the Act permits service of documents on Members by a company through electronic mode. Hence, in accordance with the Act read with the rules framed thereunder, the Notice of this Extraordinary General Meeting is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participant unless any Member has requested for a physical copy of the Notice. For Members who have not registered their e-mail addresses, physical copies of the said Notice are being sent by the permitted mode. Members may note that the said Notice will also be available on the Company’s website i.e. www.tatasponge.com

Voting by Members:

1. In compliance with Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration)

Rules, 2014 and Regulation 44 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended from time to time and the Secretarial Standard on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India, the Company is pleased to provide to its Members the facility to cast their votes electronically, through e-voting services provided by National Securities Depository Limited (“NSDL”), on resolutions set forth in this Notice. The Members may cast their votes using an electronic voting system from a place other than the venue of the Extraordinary General Meeting (“remote e-voting”) and the services will be provided by NSDL. Instructions for remote e-voting (including process and manner of e-voting) are given herein below. The Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Extraordinary General Meeting. The Notice of the Extraordinary General Meeting indicating the instructions of remote e-voting process along with printed attendance slip and proxy form can be downloaded from the NSDL’s website (www.evoting.nsdl.com) or the Company’s website (www.tatasponge.com).

- II. The Board of Directors have appointed Mr. Navin Kothari, (Membership No. FCS 5935, C.P. No. 3725), Practising Company Secretary, having office at 159, Rabindra Sarani, 9th Floor, Kolkata - 70007, as the Scrutinizer to scrutinize the remote e-voting process as well as voting at the Extraordinary General Meeting in a fair and transparent manner.
- III. The facility for voting through electronic voting system or ballot paper shall be made available at the Extraordinary General Meeting and the Members (including proxies) attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Extraordinary General Meeting.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 110211 then user ID is 110211001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

IV. The Members who have cast their vote by remote e-voting prior to the Extraordinary General Meeting may also attend the meeting but shall not be entitled to cast their vote again.

V. Members can opt for only one mode of voting, i.e. either by e-voting or voting at Extraordinary General Meeting. In case Members cast their vote through both the modes, voting done by e-voting shall prevail and votes cast at the Extraordinary General Meeting shall be treated as invalid.

VI. The instructions for e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under the ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

- (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Click on “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Company i.e. 110211 to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kothari.navin@yahoo.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions ("FAQs") for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

VII. Other Instructions:

- a. The remote e-voting period commences on Tuesday, December 11, 2018 (9:00 a.m. IST) and ends on Thursday, December 13, 2018 (5:00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialised form, as on Friday, December 7, 2018, i.e. the cut-off date, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast vote again.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The voting rights of Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, December 7, 2018 and as per the Register of Members of the Company. Please note, only a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting either through remote e-voting or voting at the Extraordinary General Meeting through e-voting or ballot paper.
- d. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of EGM and holding shares as of the cut-off date,

- e. Friday, December 7, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or csg-unit@tsrdarashaw.com However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User Reset Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No. 1800-222-990 or email at evoting@nsdl.co.in.
- e. At the Extraordinary General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, allow voting for all those Members who are present but have not cast their vote electronically using the remote e-voting facility.
- f. All documents referred to in the accompanying Notice and the Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on all working days, and including the date of the EGM of the Company.
- g. In case of any queries, you may refer the FAQs for shareholders and e-voting user manual for Shareholders available at the 'downloads' section of NSDL's e-voting website: www.evoting.nsdl.com. You can also send your queries/ grievances relating to e-voting at:
Name and Designation: Ms. Pallavi Mhatre, Asst. Manager
Address: National Securities Depository Limited, Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400013.
E-mail Id and Phone Number(s): pallavi@nsdl.co.in; 022-24994738; Toll free no: 1800222990

VIII. Declaration of Results on the Resolutions:

- a. The Scrutinizer shall immediately after the conclusion of voting at the Extraordinary General Meeting, count the votes cast at the Extraordinary General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- b. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
- c. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website (www.tatasponge.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to BSE Limited and The National Stock Exchange of India Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the registered office of the Company.

By Order of the Board of Directors
sd/-

Sanjay Kasture
Chief Risk & Compliance Officer and Company Secretary
ACS : 24429

Joda, Odisha
November 16, 2018
Registered Office: P. O. Joda Dist.: Keonjhar
Odisha - 758 034
Tel: 06767 278122 Fax: 06767 278159 CIN- L27102OR1982PLC001091
Website: www.tatasponge.com Email: investorcell@tatasponge.com

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“Act”)

The following Statement sets out all material facts relating to Item Nos. 1 to 4 in the accompanying Notice.

1. Background

- 1.1. The Company has been evaluating various strategic options, both organic and inorganic, to enhance its product portfolio beyond manufacturing of sponge iron and diversify into new businesses to ensure sustainable long-term value creation for all its stakeholders and accordingly had formulated various proposals to put up steel making capacities including Alloy steel. The Board of Directors of the Company at its meeting held on July 21, 2017, had accorded its in principle approval for setting a steel plant of capacity upto 1.5 MTPA, in phases at Beleipada, Keonjhar District, Odisha, subject to the evaluation of financial viability of the project and authorized the Management to apply for the statutory clearances including the environmental clearance for a steel making facility upto 1.5 mtpa. Thereafter, the Company had applied for Environmental Clearance to the Ministry of Environment & Forest (MOEF), New Delhi in September, 2017 and Terms of Reference (TOR) was issued vide letter dated October 16, 2017 for a crude steel capacity of 1.38 mtpa.
- 1.2. On September 22, 2018, Tata Steel Limited (“Tata Steel”), promoter of the Company, had announced that it had executed definitive agreements for the acquisition of the steel business of Usha Martin Limited (“UML”) through a slump sale on a going concern basis (“Acquisition”). The announcement also stated that Tata Steel or any of its subsidiaries or affiliates may carry out this Acquisition.
- 1.3. UML is a special steel and wire rope manufacturer. UML’s steel business has a rich product mix of carbon steel & alloy steel category which caters to automotive customers as well as produces high-end wire rods. The gross revenue that the steel business in relation to the company, generated, on a standalone basis, for the financial year ended March 31, 2018 was Rs. 3,441 crore.
- 1.4. The steel business of UML proposed to be acquired, *inter alia* comprises the specialised ~1 mtpa alloy based manufacturing capacity in long products segment based in Jamshedpur, an operating iron-ore mine, a coal mine under development and captive power plants.
- 1.5. The Company has identified this Acquisition, as an opportunity to enter the long steel manufacturing business, which comprises of an important part of the overall market for steel. Demand for the long products in India, is expected to grow significantly in the future, especially in value added customer segments like construction, automotive and engineering. The Company, as part of the larger Tata Steel Group, believes that, it would be able to leverage its brand, corporate identity and existing capabilities to emerge as a leading player in this business with a premium positioning, cutting edge technology, low cost structure and a presence across value added and differentiated products.
- 1.6. Accordingly, the Board at its meeting held on October 24, 2018, independently evaluated the asset perimeter, financial forecasts, synergies, prospects and the risks of the Acquisition and found that UML’s long steel business, was a strategic fit with the long-term goals of the Company. Consequently, it approved the Acquisition for a cash consideration of between Rs. 4,300 - 4,700 crore (subject to various transaction adjustments). The Board also approved entering into a novation agreement with Tata Steel and UML to acquire the steel business of UML. The closing of the Acquisition remains subject to fulfilment of various conditions under the agreements including regulatory approvals required for the transfer of the steel business. The Board at this meeting, also approved funding options

for the Acquisition, where along with its internal cash and cash equivalent resources it would raise financing by way of a combination or part of the following:

- a. Rights issuance of fully paid up equity shares of the Company of upto Rs. 1,800 crore.
- b. External borrowings in the form of loans, debentures or other instruments of upto Rs. 2,500 crore.
- c. Issuance of Non-Convertible Redeemable Preference Shares of upto Rs. 1,000 crore.

The disclosure made by the Company pursuant to Regulation 30 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and press release dated October 24, 2018, forms an integral part of this Notice and is hereby incorporated by reference. The same can be accessed on websites of the BSE Limited, the National Stock Exchange of India Limited and of the Company at www.tatasponge.com.

- 1.7. Further, Tata Steel as the promoter of the Company, has confirmed its in-principle support to facilitate the above financing plan. The disclosure made by Tata Steel pursuant to the Regulation 30 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the press release dated October 24, 2018 can be accessed on websites of the BSE Limited, the National Stock Exchange of India Limited and of Tata Steel Limited at www.tatasteel.com.
- 1.8. The Company is therefore, seeking approval from the Shareholders of the Company for:
 - a. an enhancement in its borrowing ability including creation of charges on the proposed enhanced borrowings;
 - b. an increase in the authorized share capital of the Company and consequential amendment in Memorandum and Articles of Association of the Company; and
 - c. issue of Non-Convertible Redeemable Preference Shares on private placement basis to Tata Steel Limited.
2. **Item Nos 1 & 2:**
 - 2.1. The Shareholders, at the Annual General Meeting held on August 21, 2015, had accorded their consent to the Board for borrowing monies and create mortgages and/ or charge on all the movable and immovable properties of the Company, present and future, in favour of financial/ investment institution(s)/bank(s) to secure the loan(s) and/ or other fund/non-fund based credit facilities up to an amount not exceeding Rs. 400 crore or the aggregate of the paid-up capital and free reserves of the Company, whichever is higher.
 - 2.2. In order to pursue its growth plans, it is proposed to enhance the Company’s borrowing limits and consequent limit of charge creation/ mortgages from the present Rs. 400 crore to Rs. 5,000 crore or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher. As on March 31, 2018, the net-worth of the Company was approximately Rs. 986 crore.
 - 2.3. Under the provisions of Section 180(1)(c) of the Act, the above borrowing powers can be exercised by the Board only with the consent of the Members obtained by a special resolution. Therefore, it is necessary to obtain approval of the Members by means of a special resolution(s) to enable the Board to borrow monies, provided that the total amount so borrowed by the Board shall not exceed Rs. 5,000 crore or the aggregate of the paid up capital, free reserves and securities premium of the Company, whichever is higher, and also to enable the Company under Section 180(1)(a) of

the Act, for creation of charges/mortgages/ hypothecations for the said purpose. The Company shall ensure that the debt equity ratio of the Company, at all times, will be within prudent limits.

- 2.4. The Board recommends the special resolutions set forth in Item Nos. 1 & 2 of the Notice for approval of the Members.
- 2.5. None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the Resolutions mentioned at Item Nos. 1 & 2 of the Notice.

3. Item No. 3:

- 3.1 The existing Authorised Share Capital of the Company is Rs. 25 crore divided into 2,50,00,000 Equity Shares of Rs. 10 each. In view of the future growth plans, the Company would need funding through equity as well as preference shares. Therefore, it is proposed to increase the Authorised Share Capital from Rs. 25 crore to Rs. 2075,00,00,000 (Rupees Two Thousand Seventy Five crore), comprising :
 - a. Rs.75,00,00,000 (Rupees Seventy-Five crore only) equity share capital divided into 7,50,00,000 (Seven crore Fifty Lakh) equity shares of Rs.10 each, and
 - b. Rs.2000,00,00,000 (Rupees Two Thousand crore only) preference share capital divided into 20,00,00,000 (Twenty crore) Non-Convertible Redeemable Preference Shares of Rs. 100 each;
- 3.2. The aforesaid increase in the Authorised Share Capital by way of increase in the equity share capital and inclusion of Non-Convertible Redeemable Preference Share Capital, will also require consequential amendment in the Capital Clause of the Memorandum and Articles of Association of the Company.
- 4.3. As required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014, the material facts relating to the aforesaid issue of Preference Shares (the “Issue”) are as follows:

(a)	The size of the issue and number of preference share(s) to be issued and nominal value of each share	Upto Rs. 1,000 crore comprising 10 crore preference shares of Rs. 100 each
(b)	The nature of such shares i.e. cumulative or non-cumulative, participating or non-participating, convertible or non-convertible	Non-Cumulative, Non-Participating, Non-Convertible
(c)	The objectives of the issue	Funding the growth plans of the Company, including the proposed acquisition of steel business of Usha Martin Limited and/or any other purposes as may be determined by the Board
(d)	The manner of issue of shares	On Private Placement basis to Tata Steel Limited
(e)	The price at which such shares are proposed to be issued	Issuance at Par Value i.e. Rs. 100 per NCRPS
(f)	The basis on which the price has been arrived at	The NCRPS are issued at par, however, coupon rate is fixed on Arms-length basis of equivalent tier debt financing
(g)	The terms of issue, including terms and rate of dividend on each share, etc.	Not exceeding 13 Years from the date of allotment Full repayment at maturity Dividend set at 11.30% p.a.
(h)	The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	Redemption at Par Value at maturity
(i)	The manner and modes of redemption	Optional early redemption at the option of Issuer annually at 12 monthly intervals from date of allotment or redemption at maturity
(j)	The current shareholding pattern of the Company	No existing preference share capital. Equity Shareholding pattern as on September 30, 2018 is enclosed and marked as Annexure-A to this Notice.
(k)	The expected dilution in equity share capital upon conversion of preference shares	N.A.

- 3.3. Pursuant to Section 13, 14 and 61(1)(a) of the Act, the alteration of Memorandum and Articles of Association requires approval of the Members of the Company by way of passing a special resolution to that effect.
- 3.4. Accordingly, the approval of the Members is sought to increase the Authorised Share Capital as well as to alter the Capital Clause of the Memorandum and Articles of Association of the Company. A draft copy of the modified Memorandum and Articles of Association is available for inspection by the Members of the Company at its Registered Office during normal business hours on any working day of the Company.
- 3.5. The Board recommends the special resolution set forth at Item No. 3 of the Notice for approval of the Members.
- 3.6. None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 3 of the Notice.

4. Item No. 4

- 4.1. In terms of Sections 42 and 55 of the Act, read with Companies (Share Capital and Debentures) Rules, 2014 and Companies (Prospectus and Allotment of Securities) Rules, 2014, a company making an allotment of preference shares on private placement basis is required to obtain the approval of the members by way of a special resolution for each of such offer or invitation.
- 4.2. It is proposed to obtain approval of the Members under Sections 42, 55 of the Act and other applicable provisions, if any, of the Act, read together with the rules made thereunder (to the extent applicable), to enable the Company to make a private placement of Non-Convertible Redeemable Preference Shares for an amount not exceeding Rs. 1,000 crore to Tata Steel Limited, promoter of the Company, on the terms and conditions set out hereunder.

4.4. Further, as required under Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, additional disclosure for issue of preference shares on private placement basis are as follows:

(a)	Particulars of the offer including date of passing of Board resolution	The Committee of Board at its meeting held on November 15, 2018 has approved the terms and conditions of the Issue
(b)	Kinds of securities offered and the price at which security is being offered	Non-cumulative, non-convertible, non-participating redeemable preference shares issued at par
(c)	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	The NCRPS are unsecured, non-cumulative and the coupon payment is not guaranteed. An arms' length study has used an external cost of long term secured debt (10 years+) of c. 9.85% and recommended 150-250 bps of premium for the junior unsecured and non-guaranteed coupon nature of securities. Accordingly, the NCRPS should carry a coupon of 11.30 % p.a.
(d)	Name and address of valuer who performed valuation	Ernst & Young Merchant Banking Services Private Limited, 3rd Floor (Wing B), Worldmark 1, Aero City (Indira Gandhi International Airport), Opposite Holiday Inn, Mahipalpur, New Delhi- 110 037, India.
(e)	Amount which the Company intends to raise by way of such securities	Upto Rs. 1,000 crore
(f)	Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities.	Non-cumulative, non-convertible, non-participating redeemable preference shares, issued at par, with a maturity of upto 13 years, issued on private placement basis to Tata Steel Limited, the promoter of the Company, for funding of the acquisition of the steel business of Usha Martin Limited or any other growth purpose.

4.5. The Board recommends the special resolution set forth at Item No. 4 of the Notice for approval of the Members.

4.6. None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

By Order of the Board of Directors
sd/-

Sanjay Kasture
Chief Risk & Compliance Officer and Company Secretary
ACS: 24429

Joda, Odisha
November 16, 2018
Registered Office: P. O. Joda Dist.: Keonjhar, Odisha - 758 034
Tel: 06767 278122 Fax: 06767 278159 CIN- L27102OR1982PLC001091
Website: www.tatasponge.com Email: investorcell@tatasponge.com

Annexure-A

The equity shareholding pattern of the Company as on September 30, 2018 is as hereunder:

Shareholders	No. of Shares	Amount (Rs.)	Percentage (%)
(A) Promoter and Promoter Group			
- Tata Steel Limited	83,93,554	8,39,35,540	54.50
Total (A)	83,93,554	8,39,35,540	54.50
(B) Public Share Holding			
Institutional			
- Insurance Companies	1,00,000	10,00,000	0.65
- FIs / FPIs	7,98,804	79,88,040	5.19
- Others	43,912	4,39,120	0.29
Sub Total (B1)	9,42,716	94,27,160	6.13
Non-Institutional			
- Individuals	48,76,759	4,87,67,590	31.67
- Others	11,86,971	1,18,69,710	7.70
Sub Total (B2)	60,63,730	6,06,37,300	39.37
Total (B1)+(B2)	70,06,446	7,00,64,460	45.50
(C) Shares against Custodians & against which Depository Receipts have been issued	-	-	-
Total (A)+(B)+(C)	1,54,00,000	15,40,00,000	100.00

ROUTE MAP





TATA SPONGE IRON LIMITED

Regd. Office: P. O. Joda, Dist Keonjhar, Odisha 758 034

Corporate Identification No. (CIN) : L27102OR1982PLC001091

Phone: 06767-278122 Fax: 06767-278159, E-mail: investorcell@tatasponge.com. Website: www.tatasponge.com

ATTENDANCE SLIP

(To be presented at the entrance duly signed)

EXTRAORDINARY GENERAL MEETING ON FRIDAY, DECEMBER 14, 2018, AT 10:30 A.M. (IST)
at Lake View Officers' Recreation Centre, TSIL Township, Joda, Dist - Keonjhar, Odisha - 758 034.

I hereby record my presence at the Extraordinary General Meeting of the Company at Lake View Officers' Recreation Centre, TSIL Township, Joda, Dist - Keonjhar, Odisha - 758 034 at 10:30 a.m. (IST) on Friday, December 14, 2018.

SIGNATURE OF THE ATTENDING MEMBER/PROXY: _____

Electronic Voting Event Number (EVEN)	User ID	Password

Note:

- Please refer to the instructions printed under the notes to the Notice of Extraordinary General Meeting. The voting period starts from 9:00 a.m. (IST) on Tuesday, December 11, 2018 and ends at 5:00 p.m. (IST) on Thursday, December 13, 2018. The voting portal shall be disabled by NSDL for voting thereafter.
- Only Member/Proxyholder can attend the Meeting.



TATA SPONGE IRON LIMITED

Regd. Office: P. O. Joda, Dist Keonjhar, Odisha 758 034

Corporate Identification No. (CIN) : L27102OR1982PLC001091

Phone: 06767-278122 Fax: 06767-278159, E-mail: investorcell@tatasponge.com. Website: www.tatasponge.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014, as amended)

Name of the Member(s) : _____

Registered address: _____

E-mail Id: _____

Folio No./Client ID No. _____ DP ID No. _____

I/We being the member(s) of _____ Equity Shares of Tata Sponge Iron Limited, hereby appoint:

- Name : _____
Address : _____
E-mail ID : _____
Signature : _____ or failing him
- Name : _____
Address : _____
E-mail ID : _____
Signature : _____ or failing him
- Name : _____
Address : _____
Email ID : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the Extraordinary General Meeting of the Company to be held on Friday, December 14, 2018, at 10:30 a.m. (IST) at Lake View Officers' Recreation Centre, TSIL Township, Joda, Dist - Keonjhar, Odisha - 758 034, and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Special Resolution	For	Against
Special Business			
1.	Increase in the borrowing limits		
2.	Creation of Charges		
3.	Increase in the Authorised Share Capital of the Company and consequent amendment of capital clause in the Memorandum and Articles of Association of the Company		
4.	Issue, offer and allotment of 11.30% Non-Convertible Redeemable Preference Shares on private placement basis to Tata Steel Limited		

Signed this..... day of 2018

Signature of the shareholder : _____

Signature of Proxy holder(s) : _____

Affix
Revenue
Stamp

Notes:

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at P.O. Joda, Dist: Keonjhar, Odisha - 758034, not less than 48 hours before the commencement of the meeting.
- **2. This is only optional. Please put a '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the Resolutions, your Proxy will be entitled to vote in the manner he/she thinks appropriate.
3. Appointing Proxy does not prevent a Member from attending in person if he so wishes.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.