



## NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of Steel Exchange India Limited will be held **on Wednesday, the 31st of December, 2014 at 11.30 A.M. at The Plaza, # 6-3-870, Tourism Plaza, Greenlands, Begumpet, Hyderabad - 500 016** to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report.
2. To appoint a Director in place of Mr. B. Suresh Kumar (DIN: 00206473), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. V.V. Krishna Rao (DIN: 00206884), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company and fix their remuneration.

To consider and if though fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. Pavuluri & Co, Chartered Accountants (Firm Registration No. 012194S) be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this 15th Annual General Meeting until the conclusion of 20th Annual General Meeting to be held in the year 2019 (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as may be determined by the Board of Directors of the Company."

### **Special Business:**

5. To appoint Mr. C. Siva Prasad as Independent Director of the Company.

To consider and if though fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. C. Siva Prasad (DIN: 01904785), Director of the Company in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director on the Board of Directors of the Company with effect 31st December 2014 to 30th December 2019."

**RESOLVED FURTHER THAT** Mr. B. Satish Kumar, Chairman & Managing Director, Mr. B. Suresh Kumar, Joint Managing Director of the Company be and are hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

6. To appoint Mr. K. Krishna Rao as Independent Director of the Company.

To consider and if though fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. K. Krishna Rao (DIN: 00382726), Director of the Company in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director on the Board of Directors of the Company with effect 31st December 2014 to 30th December 2019."



**RESOLVED FURTHER THAT** Mr. B. Satish Kumar, Chairman & Managing Director, Mr. B. Suresh Kumar, Joint Managing Director of the Company be and are hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

7. To appoint Mr. G. Venkatanarayana Reddy as Independent Director of the Company.

To consider and if though fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. G. Venkatanarayana Reddy (DIN: 05358117), Director of the Company in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director on the Board of Directors of the Company with effect 31st December 2014 to 30th December 2019."

**RESOLVED FURTHER THAT** Mr. B. Satish Kumar, Chairman & Managing Director, Mr. B. Suresh Kumar, Joint Managing Director of the Company be and are hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

8. To appoint Mr. R. Ramachandra Rao as Independent Director of the Company.

To consider and if though fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. R. Ramachandra Rao (DIN: 00226945), Director of the Company in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director on the Board of Directors of the Company with effect 31st December 2014 to 30th December 2019."

**RESOLVED FURTHER THAT** Mr. B. Satish Kumar, Chairman & Managing Director, Mr. B. Suresh Kumar, Joint Managing Director of the Company be and are hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

9. To ratify the remuneration payable to M/s. DZR & Co., of the Cost Auditors of the Company for FY 2014-15.

To consider and if though fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. DZR & Co., Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2014-15, on a remuneration of ₹ 4.00 lac per annum plus applicable service tax and out of pocket expenses that may be incurred, be and is hereby ratified."

**RESOLVED FURTHER THAT** Mr. B. Satish Kumar, Chairman & Managing Director, Mr. B. Suresh Kumar, Joint Managing Director of the Company be and are hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

By Order of the Board of Directors

Place: Visakhapatnam  
Date: December 03, 2014

**B. Narahari**  
Company Secretary

**Notes:**

1. The Explanatory Statement pursuant pursuant to section 102 of the Companies Act, 2013 (Act), relating to the Special Business under Item Nos. 5 to 9 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking re-appointment/appointment Directors under Item No. 2,3,5,6,7 and 8 of the Notice, are given below as Annexure I.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
3. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 26th day of December, 2014 to Wednesday, the 31st day of December, 2014 (both days inclusive).
5. Members/Proxies are requested to bring their copies of Annual Report to the meeting. As an austerity measure, copies of Annual Report will not be distributed at the meeting.
6. Members desirous of seeking any information on the accounts or operations of the Company are requested to write to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
7. Members are requested to bring the Attendance Slip duly filled in and hand over the same at the entrance of AGM venue. Members who hold shares in dematerialised form are requested to bring their depository account Number (Client Id and DP Id No) for easier identification and recording of the attendance at the meeting
8. Members holding shares in physical form can avail of the nomination facility by filing prescribed form under section 72 of the Companies Act, , 2013 with the Company or its Registrar & Share Transfer Agents and in case of shares held in demat form, the nomination has to be lodged with their respective Depository Participants (DPs).
9. Members holding shares in physical form are requested to advise any change of address immediately to the Company's R T A, M/s Venture Capital and Corporate Investments Pvt Limited. Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.
10. In order to service the Members effectively, members are requested to consolidate their holdings if the shares are held in the same name or in the same order of names but in several folios.
11. The equity shares of the Company have been notified for compulsory trading in demat form and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the Members are requested to avail this facility and get their shareholding converted into dematerialised form.
12. All Documents referred to in the accompanying notice and the Explanatory Statement is open for inspection at the registered office of the company on all working days between 10.00 A.M. and 12.00 Noon up to the date of the Annual General Meeting. The Register of Director share holding shall be open for inspection during the period beginning 14 days before the Annual General Meeting and ending 3 days after its conclusion.



13. The amount of dividend which remains unclaimed or unpaid for a period of seven years from the date of transfer to Unpaid Dividend Account shall be transferred to Investor Education & Protection Fund (IEPF) under Section 205C of the Companies Act, 1956 and no claims shall lie against the Fund or the Company in respect of individual amounts thereafter. The members therefore requested to check up and send their claims to the Company, if any for the years 2007-08 and 2008-09 before the respective amounts become due for transfer to the Fund (IEPF).

14. The Ministry of Corporate Affairs (MCA) has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies. Your Company has decided to join the MCA in its environment friendly initiative.

Henceforth, the Company proposes to send documents such as notice of General Meetings, Annual Report and other Communication to the members via electronic mode to their registered e-mail addresses. To support this green initiative of the Government in full measure, Members are requested to register/update their e-mail addresses with their Depository Participants (D.P) in respect of the dematerialised holdings and the Members who hold shares in physical form are requested to send the details via e-mail at [cs@seil.co.in](mailto:cs@seil.co.in) or [info@vccilindia.com](mailto:info@vccilindia.com) by quoting their registered folio numbers.

15. Members holding shares in the company and who have not registered their mail id with the company or the depository and wish to avail e voting may write to the registrar or the company quoting their client id/folio no and DP id so as to send the password for e voting and hard copy of the ballot paper will be provided at the venue of the AGM for those members who have not exercised their e-voting.

**16. E-Voting**

**Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the members to exercise their right to vote at the 15th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting platform provided by Karvy Computershare Private Ltd. The instructions for e-voting are as under:

The procedure and instructions for e-voting are as follows:

- i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- ii) Enter the login credentials (i.e., user-id & password). Your folio/DP Client ID will be your User-ID.

User - ID	For Members holding shares in Demat Form:- a) For NSDI :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID
Password	Your Unique password is sent via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact our toll free No. **1-800-34-54-001** for any further clarifications.
- iv) Members can cast their vote online from 24th December 2014@ 9.00 AM to 26th December 2014@ 5.00 PM
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z).one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting



through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., **'Steel Exchange India Limited**.
- ix) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT".A confirmation box will be displayed .If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL "and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [ssrfcs@gmail.com](mailto:ssrfcs@gmail.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
- b) Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut off date, i.e. 28th November 2014 (End of Day) may cast their vote electronically.
- o) 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 [http:// evoting.karvy.com](http://evoting.karvy.com) or contact Karvy Computershare Pvt Ltd at Tel No. 1800 345 4001 (toll free).
- p) The Company has appointed Mr. S. Sarveswara Reddy, Practicing Company Secretary, as the Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
- q) The Scrutinizer shall within a period not exceeding threeworking days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- r) The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website [www.seil.co.in](http://www.seil.co.in) com and on the website of Karvy.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:****Item No 5 to 8:**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. C. Siva Prasad, Mr. K. Krishna Rao, Mr. G. Venkatanarayana Reddy and Mr. R. Ramachandra Rao, as Independent Directors at various times, in compliance with the requirements of the said clause.

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Mr. C. Siva Prasad, Mr. K. Krishna Rao, Mr. G. Venkatanarayana Reddy and Mr. R. Ramachandra Rao as Independent Directors of the Company for a period 5 (five) years with effect 31st December 2014 to 30th December 2019. The Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from members proposing the appointment of aforesaid Independent Directors.

The Board of Directors believe that the association of the aforementioned Independent Directors with the Company shall be beneficial to the progress of the Company and hence, the Board recommends the appointment of Mr. C. Siva Prasad, Mr. K. Krishna Rao, Mr. G. Venkatanarayana Reddy and Mr. R. Ramachandra Rao as Independent Directors as set out in Item Nos. 5 to 8 for the approval of the shareholders at the ensuing Annual General Meeting.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) and such Independent Directors are independent of the management.

Further, all the aforesaid Independent Directors have given a declaration to the Board of Directors to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Other than the independent Directors of the company, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolutions as set out in Item Nos. 5 to 8 of this Notice. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

In compliance of Clause 49 of the Listing Agreement, the particulars of Mr. C. Siva Prasad, Mr. K. Krishna Rao, Mr. G. Venkatanarayana Reddy and Mr. R. Ramachandra Rao seeking appointment as independent directors are provided at Annexure I.

**Item No 9:**

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company.

On the recommendation of the Audit Committee, the Board has, considered and approved the appointment of M/s. DZR & Co., Cost Accountants as the cost auditor for the financial year 2014-15 at a remuneration of ₹ 4.00 lac per annum plus applicable service tax and reimbursement of out of pocket expenses.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Certificate dated 11.08.2014 issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during 10.00 A.M to 12.00 Noon and shall also available at the meeting.

The Board recommends this resolution for approval of the Members,

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

By Order of the Board of Directors

Place:Visakhapatnam  
Date:December 03, 2014

**B. Narahari**  
Company Secretary

**Annexure I:**

Particulars of Directors seeking re-appointment/appointment at the ensuing Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement):

Name	Mr. B. Suresh Kumar	Mr. V.V. Krishna Rao
Date of Birth	19-04-1964	10.06.1948
Qualification	B.E. (Mechanical)	M.A
Expertise in Specific Functional Area	Rich Experience of more than 15 years in Steel Industry	More than 35 years of experience in Marketing and in Steel Industry
Date of appointment on the Board of the Company	24.02.1999	12.01.2000
Other Directorships	<ol style="list-style-type: none"> <li>1. Vizag Profiles Pvt Ltd</li> <li>2. VPL Projects Pvt Ltd</li> <li>3. Simhadri Power Ltd</li> <li>4. Simhadri Pellets India Ltd</li> <li>5. Simhadri Wires Pvt Ltd</li> <li>6. Vizag Profile Constructions India Pvt Ltd</li> <li>7. VPL Integral CFS Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Vizag Profiles Pvt Ltd</li> <li>2. VPL Projects Pvt Ltd</li> <li>3. Vizag Profile Constructions India Pvt Ltd</li> </ol>
Member of the Committees in other Companies	Nil	Nil
No of Equity Shares held in the Company	1,545,450	6,43,736

Name	C. Siva Prasad	K. Krishna Rao
Date of Birth	25-12-1943	15-07-1946
Qualification	B.com., FCA	B.E. (Electrical)
Expertise in Specific Functional Area	More than 35 years of experience in the fields of Fundraising, Financial closures, Treasury Management, Budget and Budgetary controls.	Rich Experience of more than 30 years in Steel Industry
Date of appointment on the Board of the Company	10.01.2008	31.01.2009
Other Directorships	Velagapudi Steels Limited	Nil
Member of the Committees in other Companies	Nil	Nil
No of Equity Shares held in the Company	1,000	Nil



Name	Mr. G. Venkata Narayana Reddy	Mr. R. Ramachandra Rao
Date of Birth	14.06.1952	18.07.1959
Qualification	M.E (Civil)	MS (Communications Engg), IIT, New Delhi
Expertise in Specific Functional Area	Rich Experience of more than 30 years in Steel Industry	More than 25 years of experience in the areas of Power quality, Communications, Aviation, Microwave, Electronics and Management
Date of appointment on the Board of the Company	30.07.2012	30.01.2006
Other Directorships	Nil	1. Merlinhawk Associates Pvt Ltd 2. Merlinhawk Aerospace Pvt Ltd 3. Terradune Sciences Pvt. Ltd. 4. Browndove Healthcare Pvt. Ltd. 5. Terradune Technologies Pvt Ltd 6. Merlinhawk Engineering Pvt Ltd 7. Madaksira Vineyards Pvt Ltd
Member of the Committees in other Companies	Nil	Nil
No of Equity Shares held in the Company	Nil	Nil