



NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Members of STEEL EXCHANGE INDIA LIMITED will be held on **Monday, the 11th day of September 2017 at 10.00 A.M. at The Plaza, # 6-3-870, Tourism Plaza, Greenlands, Begumpet, Hyderabad, Telangana- 500 016** to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Reports of the Directors and Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the audited Balance Sheet as at 31st March, 2017, Statement of Profit and Loss, Cash Flow Statement together with related notes for the year ended 31st March, 2017, the Auditor's Report thereon and the Directors Report thereon be and are hereby received, considered, approved and adopted."

2. To appoint a director in the place of Mr. Bavineni Suresh (DIN: 00181832), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution:

"RESOLVED That Mr. Bavineni Suresh (DIN 00181832) be and is hereby re-appointed as a director liable to retire by rotation.

3. To appoint a director in the place of Mr. Veeramachaneni Venkata Krishna Rao (DIN 00206884), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution.

"RESOLVED THAT Mr. Veeramachaneni Venkata Krishna Rao (DIN 00206884) be and is hereby re-appointed as a director liable to retire by rotation.

4. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder and pursuant to the recommendations of the Audit Committee and pursuant to the resolution passed in the Annual General Meeting of the Company held on December 31, 2014, the appointment of M/s. Pavuluri & Co, Chartered Accountants (Firm Registration No. 012194S), Hyderabad as Statutory Auditors of the Company to hold office until the conclusion of the Annual General Meeting to be held for the year 2019 be and is hereby ratified and confirmed and that the Board of Directors of the Company, based on the recommendations of the Audit Committee, be and is hereby authorised to fix the remuneration payable to the Statutory Auditors in addition to reimbursement of service tax and actual out-of-pocket expenses incurred in connection with the audit of the accounts of the Company for the financial year ending March 31, 2018".

Special Business:

5. **To ratify the remuneration payable to M/s. DZR & Co., the Cost Auditors of the Company.**

To consider and, if thought 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 of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules), 2014, the Company be and hereby ratify and confirm the payment of remuneration of Rs. 4,50,000/- (plus applicable service tax and out of pocket expenses that may be incurred) to M/s. DZR & Co., Cost Accountants, Hyderabad, appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of cost records of the company for the financial year ending March 31, 2018."

FURTHER RESOLVED 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 convert the loan by lender into Optionally Convertible Debentures (OCDs) pursuant to implementation of S4A Scheme for the Company:**



To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution **"RESOLVED THAT** pursuant to and in accordance with the provisions of Section 42, 62, 71 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013;

Pursuant to the Scheme for Sustainable Structuring of Stressed Assets ("**S4A Scheme**") introduced by Reserve Bank of India ("RBI") pursuant to its Circular dated 13 June 2016 and subsequently revised by RBI vide its circulars dated 10 November 2016 (together, referred to as the "**S4A Circulars**", including any amendments / modifications or supplements thereto) pursuant to which S4A Scheme has been adopted by the Joint Lenders Forum of the Lenders (JLF) on 28.12.2016, (Reference Date) and approved by Overseeing Committee (OC) of the RBI as communicated by the Lenders vide their letters dated 10th August 2017 ("SEIL S4A Scheme"); the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**") and any other applicable regulations, including any statutory modification(s) or re-enactment thereof for the time being in force and any modifications thereto and in accordance with the Memorandum of Association and Articles of Association of the Company and subject to all such approval(s), consent(s), permission(s), sanction(s), if any, of appropriate statutory and other authorities and subject to such condition(s) and modification(s) as may be imposed or prescribed while granting approvals, consents, permissions sanctions, in respect of the conversion of part of the existing Loan/debt exposure, inter alia, of the following Banks and Financial Institutions as per the terms of Part B Debt of the SEIL S4A Scheme:

LIST OF LENDERS

Name of the Lender	Part B Debt Amount* (Rs in Crore)
State Bank of India	285,26,63,480
Andhra Bank	13,91,82,580
Bank of India	24,23,00,000
Canara Bank	27,00,00,000
Dhanlaxmi Bank Ltd	10,31,53,526
IDBI Bank Limited	19,98,29,080
Karur Vysya Bank Ltd	27,34,25,040
Lakshmi Vilas Bank Ltd	10,38,47,310
Punjab National Bank	45,80,22,210
Syndicate Bank	34,38,44,850
Total	4,98,62,68,076

*Amount includes interest on part-B Debt from DOR date to the date of implementation of S4A (hereinafter collectively referred as "Lenders") of the Company as specified in the Financing documents executed/to be executed by the Company with, inter alia, the Lenders for the purpose of implementation of the SEIL S4A Scheme

S4A Scheme (hereinafter referred to as the "**S4A Agreements/ S4A Documents**") and subject to the right of the Company to prepay the financial facilities availed, as per the terms of Part B Debt of SEIL S4A Scheme, consent of the Company be and is hereby accorded to the Board (hereinafter which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law), on the terms and conditions contained in the S4A Agreements, inter alia, to convert part of the outstanding loans of the Company, which have already been availed from the Lenders or as may be availed from the Lenders, together with accumulated interest, not exceeding Rs. 498.63 Crores (hereinafter "Financial Assistance"), consistent with the existing borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013, each, such **Financial Assistance** being separate and distinct from the other, into fully paid up Optionally Convertible Debentures (OCDs) of the Company ("**Securities**"), which OCDs shall be issued in a separate series, on mutually



agreed terms and conditions as may be stipulated in the S4A Agreements and subject to applicable laws (including extant guidelines in force), and to authorize the Board to offer, issue and allot in one or more tranches, such number of OCDs of the Company of face value Rs. 10/- (Rupee Ten only) at a price as determined in accordance with the applicable laws, to the Lenders which shall not exceed the amount of principal and interest outstanding as per the terms of Part B Debt of SEIL S4A Scheme, as the case may be applicable, as on the date of conversion of Part B Debt under the SEIL S4A Scheme".

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board / Committee be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient as found appropriate and the Board/ Committee be and is hereby authorized to agree, make, accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authority or under applicable laws, rules, regulations or guidelines and give such directions and instructions as may be necessary to resolve and settle all questions and difficulties that may arise in relation thereto including issuing clarifications to the concerned statutory and regulatory authorities, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board/Committee in its absolute discretion may deem fit, including without limitation, to execute necessary documents and enter into contracts, arrangements, and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board/Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board and any Committee thereof be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company respectively and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including execution of any documents on behalf of the Company and to represent the Company before any governmental and regulatory authorities and to appoint any advisors, consultants for the purpose of implementation of the aforesaid resolution."

7. **To offer and issue Optionally Convertible Debentures (OCDs) of face value Rs. 10/- each on preferential basis pursuant to implementation of S4A Scheme for the Company:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of sections 42 and 62 and 71 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory amendments thereto or re- enactment thereof for the time being in force and herein after collectively referred as "Act") Chapter VII of the SEBI ICDR Regulations, the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations") and other applicable guidelines, clarifications, rules, regulations issued by the Securities and Exchange Board of India, the Listing Agreement entered into between the Company and BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI LODR Regulations"), and any other applicable laws in force, and enabling provisions of the Memorandum and the Articles of Association of the Company and subject to such approval(s), consent(s), permission(s), sanction(s), if required, of concerned statutory authorities and subject to such condition(s) and modification(s) as may be imposed or prescribed by any of them while granting such approvals, consents, permissions sanctions and which may be agreed to by the Board (hereinafter which term shall be deemed to include any committee constituted / to be constituted by the Board to exercise its powers, including the power conferred by this resolution), and pursuant to the Scheme for Sustainable Structuring of Stressed Assets ("S4A Scheme") introduced by Reserve Bank of India ("RBI") pursuant to its Circular dated 13 June 2016 and subsequently revised by RBI vide its circulars dated 10 November 2016 (together, referred to as the "S4A Circulars", including any amendments / modifications or supplements thereto); pursuant to which S4A Scheme has been adopted by the Joint Lenders Forum of the Lenders (JLF) on 28.12.2016 (Reference Date) and approved by Overseeing Committee (OC) of RBI as communicated by the Lenders vide their letters dated 10th August 2017 ("SEIL S4A Scheme") consent of the Company be and is hereby accorded to the Board to offer, issue and allot from time to time in one or more tranches, on preferential basis by way of conversion of existing part B debts as per the SEIL S4A scheme.



1. Upto such number of Optionally Convertible Debentures of the Company of face value" Rs.10/- each, in one or more tranches, for a value not exceeding Rs. 498.63 Crores (Rupees Four Hundred Ninety Eight Crores and Sixty Three Lakhs only) inter alia, to the proposed allottees/Lenders as mentioned in Item No. 7 of the Explanatory Statement attached herewith, which OCDs shall be issued in a separate series as, in such manner and on such terms and conditions as may be determined by the Board in accordance with the S4A Agreements/ S4A Documents executed/ to be executed by the Company as per the SEIL S4A Scheme approved for implementation by the Company in terms of the S4A Circulars, based on the respective Individual Lender's subscription to the OCDs of the Company, entitling the debenture holder, on the date which shall be any date on or after 60days from the date of occurrence of any event of default in payment of Part A debt by the Company as specified in the SEIL S4A Scheme but before the expiry of 18 (eighteen) months from the date of allotment of such OCD ("Entitlement Date"), subject to the continuation/ subsistence of the event of default in payment of Part A debt by the Company due to the respective debenture holder as per SEIL S4A Scheme as on the Entitlement Date, to apply for such number of fully paid equity shares of the Company of face value Rs. 10/- each, at an issue price not lower than the price as on the Relevant Date (which date shall be 30 days prior to the Entitlement Date) being the price determined in accordance with Regulation 71(b) read with Regulation 76 of Chapter VII of the SEBI ICDR Regulations (hereinafter OCDs collectively referred to as "the Securities")"

LIST OF PROPOSED ALLOTTEES

Name of the Lender	Amount in Rs. Part B Debt	No of OCD's of Face Value Rs.10/- Each*
State Bank of India	285,26,63,480	28,52,66,348
Andhra Bank	13,91,82,580	1,39,18,258
Bank of India	24,23,00,000	2,42,30,000
Canara Bank	27,00,00,000	2,70,00,000
Dhanlaxmi Bank Ltd	10,31,53,526	1,03,15,353
IDBI Bank Limited	19,98,29,080	1,99,82,908
Karur Vysya Bank Ltd	27,34,25,040	2,73,42,504
Lakshmi Vilas Bank Ltd	10,38,47,310	1,03,84,731
Punjab National Bank	45,80,22,210	4,58,02,221
Syndicate Bank	34,38,44,850	3,43,84,485
Total	4,98,62,68,076	49,86,26,808

* OCDs includes against interest on Part-B Debt.

"RESOLVED FURTHER THAT

- The 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of issue price of the Equity Shares arising on conversion of OCDs, has been reckoned as per Regulation 71(b) which shall be 30 days prior to the Entitlement Date, which date shall be on or after 60days from the date of occurrence of any event of default in Part A debt by the Company as specified in the SEIL S4A Scheme but before the expiry of 18 (eighteen) months from the date of allotment of such OCD, subject to the continuation/subsistence of the event of default in payment of Part A debt by the Company due to the respective debenture holder as per SEIL S4A Scheme as on the Entitlement Date;
- The payment of consideration for the allotment of securities shall be by appropriation of the outstanding loan/ debt due to the proposed allottees/ Lenders payable by the Company under Part B Debt, as per the terms of the SEIL S4A Scheme;
- OCDs, which would be issued and allotted, upon payment of consideration in the manner mentioned under (b), which OCDs shall be issued in a separate series, shall give the OCD holder the right to apply for such number of fully paid up Equity Shares of the Company of face value Rs. 10/- each as on the Entitlement Date, subject to the continuation / subsistence of the event of default in payment of Part A debt by the Company due to the



respective debenture holder as per SEIL S4A Scheme as on the Entitlement Date, at an issue price (including premium) as on the Relevant Date which shall be 30 days prior to the Entitlement Date, being the price determined in accordance with Regulation 71(b) read with Regulation 76 of Chapter VII of the SEBI (ICDR) Regulations;

- d) Allotment of the equity shares pursuant to conversion of Securities shall be made only in dematerialized form;
- e) There is no upfront payment of consideration as mentioned under (b) above, as the loan/debt which is outstanding from the Company to the proposed allottees/Lenders as per Part B Debt of SEIL S4A Scheme shall have to be appropriated at the time of allotment of the securities;
- f) The Equity Shares to be issued and allotted as a result of conversion of OCDs shall be listed and traded on BSE Ltd (BSE) and National Stock Exchange of India Ltd (NSE) and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- g) The OCD's and the Equity Shares to be issued and allotted as a result of conversion of OCDs shall remain locked in as per the provisions of SEBI (ICDR) Regulations, 2009 from the date of trading approval (which shall mean the latest date when trading approval has been granted by BSE and NSE) granted for the Equity Shares allotted pursuant to exercise of conversion option attached to OCDs;
- h) The Equity Shares to be issued and allotted as a result of conversion of OCDs shall rank pari passu with the then existing Equity Shares of the Company in all respects including that of payment of dividend, if any;
- i) The Board/Committee be and is hereby authorised to decide and/or modify the terms and conditions of allotment of Securities including the terms of conversion of Securities into equity shares of the Company in accordance with the provisions of extant Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board /Committee be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid Securities and listing of the Equity Shares with the stock exchange(s) as appropriate and for the purpose of giving effect to the above, the Board/Committee be and is hereby authorized to agree, make, accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authority or under applicable laws, rules, regulations or guidelines and give such directions and instructions as may be necessary to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Securities and to do all acts, deeds and things in connection therewith and incidental thereto as the Board/Committee in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned statutory and regulatory authorities, issue and allotment of the Securities, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board/Committee in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board and any Committee thereof be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company respectively and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and/or regulatory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

8. To offer and issue of equity shares on preferential basis, against conversion of unsecured loans of the Company:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** "**RESOLVED THAT** pursuant to the provisions of Section 42 and Section 62 and all other applicable provisions, if any, of the Companies Act, 2013, as amended ("Companies Act") read with the rules made thereunder, and the



applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Companies Act 2013), and regulations framed there under and subject to the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), and subsequent amendments thereto, including but not restricted to the (SEBI ICDR Regulations), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations") and amendments thereto as in force and subject to other applicable rules, regulations and guidelines of the Securities and Exchange Board of India ("SEBI") ("SEBI Regulations"), and the stock exchanges where the shares of the Company are listed ("Stock Exchanges") and enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into between the Company and the Stock Exchanges and subject to requisite approvals, consents, permissions and/or sanctions if any, of SEBI, the Stock Exchanges and other appropriate authorities, including RBI, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board of Directors of the Company, the Board be and is hereby authorized on behalf of the company to create, offer, issue and allot upto 11,40,000 equity shares of face value of Rs.10/- each ("Equity Shares") fully paid up, for cash, at such price (including "premium") not less than the price determined in accordance with Chapter VII of the "SEBI (ICDR) Regulations" on such terms and conditions and in such manner, as the Board or the Allotment Committee, may, in its absolute discretion deem fit ("Preferential Issue"), aggregates to the amount not more than Rs 10 Crores (Rupees Ten Crores Only) to Vizag Profiles Private Limited a Promoter group Company having Registered Office, at 303, Myhome Laxminivas Apts., Greenlands, Ameerpet, Hyderabad - 500016, and PAN No. AABCV2154Q, against the unsecured loan such time or times, in one or more tranches and on such terms and conditions and in such manner, as the Board may think fit in its absolute discretion.

RESOLVED FURTHER THAT in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, the "Relevant Date" for the purpose of calculating the price for the issue of Equity Shares to be issued in terms hereof shall be 12.08.2017 which is the date falling 30 days prior to the date of this Annual General Meeting.

RESOLVED FURTHER THAT the equity shares to be allotted to Vizag Profiles Private Limited a Promoter Group company pursuant to the aforesaid preferential allotment shall rank pari-passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs.10/- each of the Company, subject to lock-in as per requirements of SEBI ICDR Regulations and subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Equity Shares shall be issued and allotted by the Company to Vizag Profiles Private Limited in dematerialized form within a period of 15 days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions Chapter VII of the SEBI ICDR Regulations and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

RESOLVED FURTHER THAT subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to the Investor, as may deem expedient.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board/ the Committee be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid equity shares and listing of the equity shares to be allotted on preferential allotment basis with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said equity shares, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities, issue and allotment of the equity shares, to execute necessary documents and enter into



contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit , without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as may be required in connection with the aforesaid resolutions and also to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and regulatory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

By Order of the Board of Directors of
For STEEL EXCHANGE INDIA LIMITED

Place: Visakhapatnam
Date: 16.08.2017

L. BABU ARE
Company Secretary



Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act), relating to the Special Business under Item Nos. 5 to 8 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item Nos. 2 and 3 of the Notice, are also annexed.
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. 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 **Tuesday the 5th day of September, 2017 to Monday, the 11th day of September, 2017** (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 dematerialized 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 dematerialized 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 Directors 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 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 dematerialized holdings and the Members who hold shares in physical form are requested to send the details via e-mail at cs@seil.co.in or info@vccilindia.com by quoting their registered folio numbers.

14. 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.

15. E-Voting

I. Voting through electronic means:

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide its members facility to exercise their right to vote on Resolutions proposed to be considered at the 18th Annual General Meeting by electronic means known as remote e-voting. The Company also will be providing voting facility through polling paper at the Meeting and the members attending the Meeting who have not already cast their vote by remote e-voting may be able to exercise their voting right at the Annual General Meeting. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 8th September, 2017 at 9.00 a.m. and ends on 10th September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 04th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:
- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote,



For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant STEEL EXCHANGE INDIA LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



- "The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. The Company has appointed M/s B S S & Associates, Company Secretaries, as the scrutinizer to scrutinize the e-voting process as well as the Ballot process at the Annual General Meeting in a fair and transparent manner.
- III. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the company and make, not later than two days 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 authorized by the Chairman, who shall declare the result of the voting forthwith.
- IV. The Results shall be declared on or after the Annual General Meeting of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchange(s)

All documents referred in the accompanying notice and the statement pursuant to section 102 (1) of the Companies Act, 2013, will be available for inspection at the registered office of the Company during business hours on all working days upto the date of 18th Annual General Meeting of the Company.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")****Item No 5**

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 2017-18 at a remuneration of Rs. 4,50,000/- 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 24.05.2017 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.

Item No.6 & 7

The Board of Directors recommends the Special Resolution set out at Item No.6 & 7 of the Notice for approval by the members.

1. The Company is facing liquidity issues and challenges in debt servicing due to inter alia slower recovery than the envisaged recovery in the economy and infrastructure sector, Lower margins in steel, non-off take of surplus power by State Utilities, increased interest cost for the Company due to increase in the working capital requirement and slow-realization of receivables. This has resulted in a gap of cash flow timing mismatch between earnings, realizations earnings and debt servicing. With this cascading effect the Company is facing challenges in the manufacturing activity, marketing and also in servicing of its debt.
2. Accordingly, in order to bridge the aforementioned cash flow timing mismatch, the Lenders deliberated various solutions to address the aforementioned liquidity issues and recommended the Scheme for Sustainable Structuring of Stressed Assets ("S4A Scheme") introduced by the Reserve Bank of India ("RBI") pursuant to its circulars dated June 13, 2016 and as amended further on November 10, 2016 ("S4A Circulars").
3. The Lenders in their various Joint Lender's Forum ("JLF") meetings deliberated on the various options and agreed to explore the recommendation of the Monitoring Committee for invoking the S4A Scheme for the Company and decided to invoke the S4A Scheme with the Reference Date as 28.12.2016. The Lenders have deliberated and agreed to convert part of their entire debt exposure ("Part B Debt of SEIL S4A Scheme") to Optionally Convertible Debentures (OCDs) pursuant to implementation of the S4A Scheme in accordance with and as specified in the financing documents entered/to be entered by the Company with, inter alia, the Lenders for the purpose of implementation of the S4A Scheme (hereinafter referred to as the "S4A Agreements/ S4A Documents"), aggregating the outstanding loan/ debt as more specifically set out in the Special Resolution at Item No.6 & 7 of this Notice.
4. Pursuant to the implementation of the S4A Scheme which has been invoked on 28.12.2016, (Reference Date) and approved by Overseeing Committee (OC) of the RBI as communicated by the Lenders vide their letters dated 10th August 2017 (SEIL S4A Scheme") and in terms of the S4A Agreements, it is proposed to consider the offer and issue of OCDs on Preferential Basis as per applicable laws and extant regulations in the manner set out in the Resolution at Item No.7, by way of conversion of existing part B debts as per the SEIL S4A Scheme, to be allotted to the Individual Lenders, based on the respective Lender's outstanding debt for the Securities of the Company.
5. As per the SEIL S4A scheme, promoters have volunteered to transfer the already pledged equity shares in favour of Lenders upto 1,18,34,715 shares of Rs. 10/- each to comply with the SEIL S4A scheme resulting in the change of promoters shareholding to that extent. The Promoters will also transfer upto 59,71,637 additional equity shares of Rs.10/- each in favour of the Lenders as per the agreement with the Lenders. Though the conversion of debt into equity was available in the S4A scheme of RBI, the Promoters volunteered and agreed to dilute their stakes alone as mentioned above in the interest of the Company and the other stake holders as a whole.
6. As per Section 42 and 71 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, in order to enable the Lenders to convert the outstanding loans or any other financial assistance already availed from the Lenders or as may be availed from the Lenders, from time to time, by the Company, at their option, into OCDs of the Company, requires approval by way of special resolution passed by the shareholders of the Company.



7. Further, as per Sections 42 and 71 of the Act, the issue of debentures with option to convert such debentures into shares, wholly or partly, requires to be approved by a special resolution passed at a general meeting.
8. The special resolution, if passed, will have the effect of allowing the Board/Committee to issue and allot Securities to the above mentioned proposed allottees / Lenders, on a preferential basis, who may or may not be the existing members of the Company.
9. Since the proposed Special Resolution at Item No. 7 would result in issue of Securities of the Company to proposed allottees/ Lenders on a preferential basis, who may or may not be the members of the Company, in the manner laid down under Section 62, 42, 71 of the Companies Act, 2013, the consent of the shareholders is being sought pursuant to the provisions of Section 62, 42, 71 and all other applicable provisions of the Act, SEBI ICDR Regulations, the Listing Agreement and the SEBI LODR Regulations. Accordingly, the Board recommends the resolution as set out in Item Nos. 6 and 7, to enable the Lenders, in terms of the lending arrangements, entered/to be entered, and as may be specified under the financing documents already executed or to be executed in respect of the Financial Assistance availed/to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assistances into OCDs of the Company, and to permit the Company to issue the said Securities to the members of the Company in the manner and upon such terms and conditions as may be deemed appropriate by the Board.
10. OCD's may or may not be listed subject to SEBI/Stock Exchange Regulations. However, Equity Shares to be issued and allotted arising from conversion of OCDs, would be listed on BSE and NSE, subject to obtaining necessary regulatory approvals, if any.
11. In terms of the provisions of the Act read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, SEBI ICDR Regulations and other applicable provisions of the law, relevant disclosures/details are given below:
 - a) **Objects of the Issue:**

Pursuant to implementation of the S4A Scheme for the Company, Lenders of the Company have the right to convert part of their entire debt exposure ('Part B Debt of SEIL S4A Scheme') to Optionally Convertible Debentures (OCDs) of the Company on the terms contained in the SEIL S4A Scheme. Hence it is proposed to issue these securities on a preferential basis, in accordance with the SEIL S4A Scheme and the applicable laws in force including extant regulations.
 - b) **Securities to be issued:**

The resolution set out in the accompanying notice authorizes the Board to offer, issue and allot from time to time in one or more tranches, on preferential basis;

Upto such number of Optionally Convertible Debentures of the Company of face value Rs.10/- each, in one or more tranches, for a value not exceeding Rs. 498.63 Crores (Rupees Four Hundred Ninety Eight Crores and Sixty Three Lakhs only), inter alia, to the aforesaid proposed allottees/lenders which OCDs shall be issued in a separate series, as mentioned and in such manner and on such terms and conditions as may be determined by the Board in accordance with the S4A Agreements executed/to be executed by the Company with the Lenders, in terms of the SEIL S4A Scheme approved for implementation by the Company pursuant to the S4A Circulars, entitling the debenture holder, on the date, which shall be any date on or after 60 days from the date of occurrence of any event of default in payment of Part A debt by the Company as specified in the S4A Agreements but before the expiry of 18 (eighteen) months from the date of allotment of such OCD ("Entitlement Date"), subject to the continuation/subsistence of the event of default in payment of Part A debt by the Company due to the respective debenture holder as per S4A Agreements as on the Entitlement Date, to apply for such number of fully paid equity shares of the Company of face value Rs.10/- each, at an issue price, not lower than the price as on the Relevant Date (which date shall be 30 days prior to the Entitlement Date) determined in accordance with Regulation 71(b) read with Regulation 76 of Chapter VII of the SEBI ICDR Regulations.
 - c) **Proposal of the Promoters, Directors, Key Managerial Personnel of the Company to Subscribe to the Offer:**

The preferential issue of OCDs of the Company will not be subscribed by the Promoters and/or Promoter Group, Directors and Key Managerial Personnel of the Company.
 - d) **Relevant Date:**

The 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of issue price of the Equity Shares arising on conversion of OCDs, has been reckoned as per Regulation 71(b) which shall be 30 days prior to the Entitlement Date (i.e. which date is any date on or after 60 days from the date of occurrence of any event of default in payment of Part B debt by the Company as specified in the S4A Agreements but before the expiry of 18 (eighteen) months from the date of allotment of such OCDs) subject to the continuation/subsistence of the event of default in payment of Part A debt by the Company due to the respective debenture holder as per S4A Agreements as on the Entitlement Date.



e) Pricing of Preferential Issue:

The equity shares arising out of conversion of OCDs shall be issued at an issue price (including premium) not lower than the price as on the Relevant Date (which date shall be 30 days prior to the Entitlement Date) determined in accordance with Regulation 76 of Chapter VII of the SEBI ICDR Regulations.

(f) Terms for Issue of OCDs of the Company as per the S4A Documents executed/to be executed by the Company:

- i. **Amount:** Upto an amount of Rs. 4,98,62,68,076/-
- ii. **Issuance:** To be issued at face value i.e. Rs. 10 per debenture.
- iii. **No. of OCDs to be issued:** Maximum of OCDs. 49,86,26,808
- iv. **Tenor:** 10 years from the date of issue.
- v. **Coupon Rate:** 0.10% p.a., payable annually on the last date of every financial year
- vi. **IRR/Yield:** 10.00 % p.a.
- vii. **Security:** Existing security available to the lenders for their different facilities proposed to be converted into OCDs would continue to be available for OCDs on a pro-rata basis post conversion / implementation of S4A.
- viii. **Convertibility:** As per SEBI-ICDR guidelines, the conversion option is available only for 18 months whereas the tenure of proposed OCDs is 10 years. In light of SEBI restrictions, it is proposed that the following treatment would be given to OCD after expiry of 18 months:
 - a) The conversion option will be extended; if RBI and SEBI allow special dispensation in this regard. (or)
 - b) The conversion option will be rolled-over after 18 months. (or)
 - c) The OCD will be converted into NCD with clauses, entitling lenders to convert defaulted amounts into equity.
- ix. **Conversion price:** As per the price determined by SEBI-ICDR guidelines / price approved by the SEBI.
- x. **Valuation of OCD:** The valuation of the OCD shall be done on discounted cash flow basis, which will be valued with a discount rate of a minimum mark up of 1.50 per cent over the weighted average actual interest rate charged to the borrower for the various facilities.
- xi. **Condition for conversion:** The lenders will have a right to convert OCD into equity shares of the company in case of any event of default or default of payment of Part-A (sustainable portion of the debt as per the Resolution Plan) or failure to use excess cash flow from operations / proceeds from sale of non-core assets / equity infusion for redemption of OCDs.
- xii. **Right of first refusal:** Promoter shall have a right of first refusal (RoFR) to buy OCD / equity shares (including equity shares upfront allotted and equity shares acquire pursuant to conversion of OCD) in case the lenders decide to sell the OCD / equity shares.
- xiii. **Redemption of OCDs:** OCDs are proposed to be redeemed from the excess cash flow from operations (post servicing of Part A dues and operational expenses) and sale of non-core assets / equity infusion.
- xiv. **Debenture Trustee:** As per extant guidelines, a SEBI registered security trustee will have to be appointed as debenture trustee;
- xv. **Personal Guarantee:** The Promoters guarantee shall continue in the form and manner acceptable to the Lenders and shall also secure the OCDs
- xvi. **Investor not to be Promoters:** On completion of the proposed Transaction, the Investor will only be a financial investor and would not acquire control and management of the Company. The Investor shall not be considered to be a promoter of the Company for any reason whatsoever. Each Lender/Investor shall decide independently on sale of OCDs/ Shares.

g) PROPOSED LIST OF ALLOTTEES

Name of the Lender	Amount in Rs. Part B Debt	No of OCD's of Face Value Rs.10/- Each*
State Bank of India	285,26,63,480	28,52,66,348
Andhra Bank	13,91,82,580	1,39,18,258
Bank of India	24,23,00,000	2,42,30,000
Canara Bank	27,00,00,000	2,70,00,000
Dhanlaxmi Bank Ltd	10,31,53,526	1,03,15,353
IDBI Bank Limited	19,98,29,080	1,99,82,908
Karur Vysya Bank Ltd	27,34,25,040	2,73,42,504
Lakshmi Vilas Bank Ltd	10,38,47,310	1,03,84,731
Punjab National Bank	45,80,22,210	4,58,02,221
Syndicate Bank	34,38,44,850	3,43,84,485
Total	4,98,62,68,076	49,86,26,808



(h) Share holding pattern of the Company (Pre and Post S4A Scheme of the Company) pursuant to Clause 5 of the Explanatory statement:

S. No.	Category	Pre-S4A Scheme (as on 11.08.2017)		Post – Issue (after considering S4A Scheme)	
		No. of Shares held	% of Holding	No. of shares held	% of Holding
A	Promoters Holding				
1	Indian				
	Individual	9392298	12.36	9392298	12.36
	Bodies Corporate***	27452765	36.13	9646413	12.70
	Sub Total	36845063	48.49	19038711	25.06
2	Foreign Promoters	211504	0.28	211504	0.28
	Total Promoters Holding (A)	37056567	48.77	19250215	25.33
B	Public Shareholding				
1	Institutions				
a.	Mutual Funds/UTI	9244	0.01	9244	0.01
b.(i)	Financial Institutions/Banks	843596	1.11	843596	1.11
b.(ii)	Lenders Consortium	-	-	17806352	23.43
c.	Foreign Bodies Corporate	3050197	4.01	3050197	4.01
	Sub-Total-B(1)	3903037	5.14	21709389	28.57
2.	Central Government/State Government(s)	309342	0.41	309342	0.41
	Sub-Total-B(2)	309342	0.41	309342	0.41
3.	Non- Institutions				
a.	Individual shareholders holding up to 2 lakh	2894249	3.81	2894249	3.81
b.	Individual shareholders holding in excess of 2 lakh	10856038	14.29	10856038	14.29
c.	Body Corporates	17074793	22.47	17074793	22.47
d.	Clearing Members	3764541	4.95	3764541	4.95
e.	Trust	86945	0.11	86945	0.11
f.	Non-Resident Individuals	39300	0.05	39300	0.05
	Sub-Total-B(3)	34715866	45.69	34715866	45.69
	Total Public Shareholding-(B)	38928245	51.23	56734597	74.67
C	Shares held by Custodians against DRs/FCCBs etc.	-	-	-	-
	GRAND TOTAL (A+B+C)	75984812	100	75984812	100.00

*** Under S4A Scheme for dilution of equity shareholding of promoter and promoter group, invocation of pledged shares with the lenders and equity shares to be transferred to lender, may be internally adjusted among promoter and promoter group

(i) **Proposed time within which allotment will be completed:**

As required under the SEBI ICDR Regulations, the Company shall complete the allotment of Securities on or before the expiry of 15 days from the date of passing of this resolution by the shareholders of the Company or where allotment of securities requires any approval(s) from any regulatory authority or the Central Government, the said allotment will be completed within 15 days from the date of such approval(s) as the case may be applicable.

(j) **The identity of the natural persons who are the ultimately beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and changes in control, if any, in the Company consequent to the preferential issue:**

In terms of the proviso to Regulation 73(e) of Chapter VII of the SEBI ICDR Regulations, no further disclosure is necessary in respect of chain of ownership of the proposed allottee(s), if the said allottee(s) are listed companies, mutual fund, bank and insurance company.

As the proposed allottees are, inter alia, Lenders of the Company, comprising Banks, pursuant to the interpretation of the above proviso, no further disclosure is required.



- (k) There shall be no change in the management or control of the Company pursuant to the issue and allotment of Optionally Convertible Debentures of the Company as per the SEIL S4A Scheme.
- (l) The Equity shares to be issued and allotted as a result of conversion of OCDs, shall be subject to the Memorandum and Articles of association of the Company and the terms of the issue and shall rank pari-passu in all respects with, and carry the same rights including dividend, along with the existing Equity Shares of the Company.
- (m) **Auditor's Certificate:**
A certificate from M/s. Pavuluri & Co., Chartered Accountants, Hyderabad, the Statutory Auditors of the Company, certifying that the proposed preferential issue of the Securities is being made in accordance with the requirements contained in Chapter VII of the SEBI ICDR Regulations and the same is enclosed to the shareholders through this Notice
- (n) **Undertaking of the Company:**
The Company hereby undertakes that it shall re-compute the price of the Securities specified above in terms of the provisions of the SEBI ICDR Regulations, 2009, wherever it is required to do so.
- (o) **Lock-in**
The Equity Shares to be issued and allotted as a result of conversion of Securities, if any, shall be subject to lock-in in accordance with Chapter VII of SEBI ICDR Regulations.
- (p) The Company has not made any preferential issue of securities during the current financial year.
- (q) None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the aforesaid Special Resolutions mentioned at Item Nos. 6 & 7 of this Notice.
- (r) All documents referred to in the accompanying Notice and the Explanatory Statement would be available for inspection at the Registered Office of the Company between 11.00 am to 1 pm on all working days except Saturdays, upto and including the date of this Annual General Meeting of the Company.
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.

Item No.8

Preferential Issue of Equity Shares to Vizag Profiles Private Limited, against conversion of Debt:

Keeping in view the working capital requirements and the ability to compete with the peer group in the existing and future markets, your Company availed unsecured loans Vizag Profiles Private Limited, a promoter group company. Of the unsecured loans taken from Vizag Profiles Private Limited, against the sum of Rs.10 crores, it is proposed to issue fully paid-up equity shares of the Company, to comply with the terms of sanction of SEIL S4A Scheme, at a price not less than the price determined in accordance with SEBI Pricing Formula applicable to listed companies. The Company has accordingly proposed to enhance its equity base by offer, issue and allot upto 11,40,000 Equity Shares of Rs. 10/- each at premium.

The Board has given its approval to Issue and allot of upto 11,40,000 Equity Shares at a face value of Rs.10/- each by way of a Preferential Issue, at such price which is not less than the price determined in accordance with SEBI Pricing Formula applicable to listed companies, subject to approval by the Members in the General Meeting.

The other disclosures in accordance with the Companies Act, 2013 and in terms of Regulation 73 of SEBI (ICDR) Regulations, 2009 ("Regulations"), the following disclosures are needed to be made in the Explanatory Statement to the Notice of the General Meeting:

1. The Objects of the Preferential Issue:

Company availed unsecured loans from Vizag Profiles Private Limited, a promoter group Company against which for a sum of Rs.10 crores, it is proposed to issue 11,40,000 fully paid-up equity shares of Rs. 10/- each of the Company at a price of Rs. 87.95 (including premium of Rs. 77.95/- per equity share) determined in accordance with Regulation 76 of Chapter VII of the SEBI ICDR Regulations which is not less than the price determined in accordance with SEBI Pricing Formula applicable to listed companies,

2. The proposal of the promoters / directors or key management personnel to subscribe to the offer:

The preferential issue of equity shares of the Company will not be subscribed by the Promoters and/or Promoter Group, Directors and Key Managerial Personnel of the Company other than Vizag Profiles Private Limited (an existing holder of unsecured loan, to comply with the terms of sanctioned scheme of SEIL S4A Scheme) under Preferential Issue.

3. Relevant Date:

The Relevant Date as per the Regulations for the determination of issue price of the equity shares pursuant to the



aforesaid preferential allotment is fixed as 12th August, 2017 i.e. the date falling 30 days prior to the date of this Annual General Meeting of the Company to approve the proposed preferential issue, in terms of Section 62 of the Companies Act, 2013.

4. Pricing of Preferential Issue:

The equity shares will be allotted in accordance with the price determined in terms of Regulation 76 of the Regulations. Since the Company is listed on BSE Limited ("BSE") and NSE (w.e.f. 20.07.2017) Calcutta Stock Exchange Limited ("CSE"), the trading volume of Equity Shares of the Company on BSE Limited will be considered to determine the highest trading volume for computation of issue price. As required under the Regulations, wherever it is required, the Company shall re-compute the issue price in accordance with the Regulations.

5. The Shareholding pattern before and after the Preferential Issue:

The shareholding pattern of the Company pre and post the preferential allotment of Equity Shares, under the proposed Preferential Issue given below:

S. No.	Category	Pre-S4A Scheme (as on 11.08.2017)		Post – Issue (after considering S4A Scheme)	
		No. of Shares held	% of Holding	No. of shares held	% of Holding
A	Promoters Holding				
1	Indian				
	Individual	9392298	12.36	9392298	12.18
	Bodies Corporate***	27452765	36.13	10786413	13.99
	Sub Total	36845063	48.49	20178711	26.17
2	Foreign Promoters	211504	0.28	211504	0.27
	Total Promoters Holding (A)	37056567	48.77	20390215	26.44
B	Public Shareholding				
1	Institutions				
a.	Mutual Funds/UTI	9244	0.01	9244	0.01
b.(i)	Financial Institutions/Banks	843596	1.11	843596	1.09
b.(ii)	Lenders Consortium	-	-	17806352	23.08
c.	Foreign Bodies Corporate	3050197	4.01	3050197	3.95
	Sub-Total-B(1)	3903037	5.14	21709389	28.15
2.	Central Government/State Government(s)	309342	0.41	309342	0.40
	Sub-Total-B(2)	309342	0.41	309342	0.40
3.	Non- Institutions				
a.	Individual shareholders holding up to 2 lakh	2894249	3.81	2894249	3.75
b.	Individual shareholders holding in excess of 2 lakh	10856038	14.29	10856038	14.07
c.	Body Corporates	17074793	22.47	17074793	22.14
d.	Clearing Members	3764541	4.95	3764541	4.88
e.	Trust	86945	0.11	86945	0.11
f.	Non-Resident Individuals	39300	0.05	39300	0.05
	Sub-Total-B(3)	34715866	45.69	34715866	45.01
	Total Public Shareholding -(B)	38928245	51.23	56734597	73.56
C	Shares held by Custodians against DRs/FCCBs etc.	-	-	-	-
	GRAND TOTAL (A+B+C)	75984812	100	77124812	100.00

*** Under S4A Scheme for dilution of equity shareholding of promoter and promoter group, invocation of pledged shares with the lenders and equity shares to be transferred to lender, may be internally adjusted among promoter and promoter group.



6. Identity of the proposed allottees:

The identity of the person who is the ultimate beneficial owners of the Equity Shares proposed to be allotted is as follows:

Identity of Proposed allottee	Category	Pre-Issue Holding	% of Pre Issue	No. of Equity Shares to be allotted	Issue Price of equity shares	Post Issue holding	% of post Issue
Vizag Profiles Private Limited	Promoter Group	5763650	7.59	1140000	87.95	6903650	8.95

Ultimate individual beneficial owners of the allottee (Vizag Profiles Private Limited) are Promoters and promoter group of the Company holding more than 80% having control on proposed allottee: VPPL Shareholding Pattern:

1	B. Suresh Kumar	1492142	11.00
2	V. Venkata Krishna Rao	2025900	15.00
3	V Rajya Lakshmi	84900	1.00
4	B. Suresh	1819686	13.40
5	B. Jaya Padmavathi	388675	2.86
6	B. Suguna	517917	3.81
7	B. Ramesh Kumar	206991	1.52
8	B. Aruna Kanthi	73120	0.54
9	B. Jyothi Kiran	535457	4.00
10	B. Rajesh	300794	2.21
11	B. Lavanya	224149	1.65
12	K. V. Bhaskar	114997	1.00
13	B. Sudha	628300	5.00
14	Satyatej Vyapaar Pvt Ltd*	2366000	17.42
	TOTAL	10779028	80.41

*In Satyatej Vyapar Pvt. Ltd- the above promoter and promoter group individuals are holding more than 90% and control in the Company.

7. Particulars of the Proposed Allottee:

Vizag Profiles Private Limited is a Promoter group Company having its Registered Office, at 303, Myhome Laxminivas Apts., Greenlands, Ameerpet, Hyderabad - 500016, and PAN No. AABCV2154Q,

8. Proposed time within which the Preferential Issue shall be completed:

The allotment of Equity Shares shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders provided that where the allotment is pending on account of pendency of any approval from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

9. Change in control:

There shall be no change in management or control of the Company pursuant to the issue of equity shares.

10. Securities to be issued:

The resolution set out in the accompanying notice authorizes the Board to issue to the allot, upto 11,40,000 Fully Paid-up Equity shares of face value of Rs. 10/- each aggregates to the amount not more than Rs 10 Crores (Rupees Twenty One Crores Only) in such manner and on such price, terms and conditions as may be determined by the Board in accordance with Regulation 76 of Chapter VII of the SEBI ICDR Regulations.

11. Auditor's certificate:

The Statutory Auditor's certificate, as required under Regulation 73(2) of the Regulations will be made available for inspection at the Registered Office of the Company between 10 a.m. and 1 p.m. on all working days (excluding



holidays and Sundays) upto the date of the meeting.

12. Lock in period:

The proposed allotment shall be subject to lock-in in accordance with Chapter VII of SEBI ICDR Regulations, 2009.

13. The Company has not made any preferential issue of securities during the current year:

As it is proposed to issue and allot the aforesaid securities on preferential allotment basis, special resolution is required to be approved by members pursuant to the provisions of Section 62 of the Companies Act, 2013, other applicable provisions of Companies Act, 2013 and Chapter VII of the SEBI ICDR Regulations. The Board of Directors believe that the proposed preferential issue and allotment of Equity Shares is in the best interest of the Company and its members.

Your Directors, therefore, recommend the resolution for your approval. Except the Promoter Group Company Vizag Profiles Private Limited, and individuals members of proposed allottee who are the promoters of the Company, none of the Key Managerial Personnel/their relatives of the Company are in any way concerned or interested in the above referred resolution.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the Listing Agreement/Regulation. All the documents referred to in the accompanying Notice and Statement Annexed thereto would be available for inspection without any fee by the members at the Registered Office of the Company during 10:00 A.M. to 1:00 P.M on any working day up to the date of the meeting.

By order of the Board
For STEEL EXCHANGE INDIA LIMITED

Place: Visakhapatnam
Date: 16.08.2017

L. BABU ARE
Company Secretary

**Annexure I**

Details of the Directors seeking Re-Appointment/appointment in the ensuing Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Bavineni Suresh	V.V. Krishna Rao
Date of Birth	30.08.1968	10.06.1948
Nationality	Indian	Indian
Date of Appointment	28.02.2000	12.01.2000
Qualification	B. Tech. M.B.A	M.A.
Expertise in Specific Functional Area	Rich Experience of more than 17 years in Finance and Steel Industries	More than 37 years of Experience in Marketing and Steel industry.
Relationship with Directors	None	None
Board Memberships as on March 31, 2017	1.Vizag Profiles Pvt Ltd 2.Umashiv Garments Pvt. Ltd 3.Simhadri Wires Pvt. Ltd 4.Satyatej Vyapaar Pvt. Ltd	1.Vizag Profiles Pvt Ltd 2. VPL Integral CFS PVT LTD
Chairman/Member of the committee of the Board of Directors as on March 31,2017	Nil	NIL
No. of Meetings of the Board attended during the financial year-2016-17	Attended Six out of Seven Board Meeting during the year	Attended Five out of Seven Board Meetings held during the year
Terms and Conditions of appointment or re-appointment along with details of remuneration	-	-
Comparative remuneration Profile with respect to Industry, size of the company, profile of the position and person	-	-
Number of Equity Shares held in the Company as on March 31,2017	11,38,350 Equity shares of Rs. 10/- each	6,43,736 Equity shares of Rs.10/- each
Reasons for loss or inadequate profits	-	-
Steps taken for improvement	-	-
Expected Increase in productivity and profits in measurable terms	-	-

By order of the Board
For STEEL EXCHANGE INDIA LIMITED

L. BABU ARE
Company Secretary

Place: Visakhapatnam
Date: 16.08.2017



STEEL EXCHANGE INDIA LIMITED

Regd. Office: # 303, My Home Laxmi Nivas, Greenlands, Ameerpet, Hyderabad - 500 016.

Telephone No: +91-40-23403725 Fax No: +91- 40- 23413267

Website: www.seil.co.in, email: cs@seil.co.in, CIN: L74100AP1999PC031191

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail Id:

Folio No. / Client ID:

DP ID:

I/ We being the member(s) of _____ shares of the above named Company hereby appoint:

(1) Name: _____ Address: _____

E-mail Id: _____ or failing him;

(2) Name: _____

Address: _____

E-mail Id: _____ or failing him;

(3) Name: _____

Address: _____

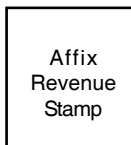
E-mail Id: _____ or failing him;

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ behalf at the 16th Annual General Meeting of the Company to be held on **Monday, the 11th day of September 2017 at 10.00 A.M. at The Plaza, # 6-3-870, Tourism Plaza, Greenlands, Begumpet, Hyderabad, Telangana- 500 016** and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No	Resolutions	FOR	AGAINST
	Ordinary Business		
1	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Reports of the Directors and Auditors thereon.		
2.	To appoint a director in the place of Mr. Bavineni Suresh (DIN: 00181832), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To appoint a director in the place of Mr. Veeramachaneni Venkata Krishna Rao (DIN 00206884), who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To re-appoint M/s. Pavuluri & Co, Chartered Accountants as Statutory Auditors.		
	Special Business		
5	To approve the remuneration payable to M/s. DZR & Co., the Cost Auditors.		
6.	To convert the loan by lender into Optionally Convertible Debentures (OCDs) pursuant to implementation of S4A Scheme for the Company - as a Special Resolution.		
7.	To offer and issue Optionally Convertible Debentures (OCDs) of face value Rs. 10/- each on preferential basis pursuant to implementation of S4A Scheme for the Company - as a Special Resolution.		
8.	To offer and issue of equity shares on preferential basis, against conversion of unsecured loans of the Company - as a Special Resolution.		

Signed on this _____ day of _____ 2017.

Signature of the Shareholder _____



Signature of First proxy holder

Signature of Second proxy holder

Signature of Third proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.