



MUKAND LIMITED

(CIN No.: L99999MH1937PLC002726)

Registered Office: Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021
Tel: 022-61216666, Fax: 022-22021174, E-mail: investors@mukand.com, Website: www.mukand.com

Notice for passing of Resolutions by Postal Ballot pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

Dear Member(s),

Notice is hereby given pursuant to Sections 101, 102, 108, 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, the Equity Listing Agreement with the Stock Exchanges ("Listing Agreement") including any statutory modification or re-enactment thereof for the time being in force, that the Resolutions appended below are proposed to be passed by way of Postal Ballot/ e-Voting. The Explanatory Statement pertaining to the said Resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a Postal Ballot form (the "Form") for your consideration. The Board of Directors has appointed Mr. Anant Khamankar, Practicing Company Secretary, Mumbai as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form, record your assent (for) or dissent (against) therein and return the Form duly completed in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer not later than the close of working hours i.e., 5.00 p.m. on Friday, the 13th February, 2015. Any assent or dissent received after the said date will be treated as if the reply from the concerned member is not received. The postage will be borne and paid by the Company. It is, however, clarified that members desiring to exercise their vote from outside of India will have to arrange for postage from the country where from the ballot papers are despatched to the Scrutinizer.

In compliance with provisions of Clause 35B of the Equity Listing Agreement as well as Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering E-voting facility to all the Shareholders of the Company. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the Notice and instructions overleaf the Form.

The notice of Postal Ballot is being sent to holders of 0.01% Cumulative Redeemable Preference Shares as required by the provisions of the Companies Act, 2013. However, rights attached to the said preference shares are not directly affected by the resolutions proposed under this notice. Accordingly, preference shareholders will not have a right to vote in respect of the resolutions proposed under this notice.

The Scrutinizer will submit his Report to the Chairman after completion of the scrutiny of the Postal Ballots received not later than 7 (seven) days from the last date of receipt of postal ballots. In case of electronic votes, the Scrutinizer shall, within a period not exceeding 3 (three) working days from the date of conclusion of the electronic voting period (as specified in this Notice) unblock the votes and make a report to the Chairman. The Chairman, Co-Chairman or a Director of the Company will announce the Results of the Postal Ballot on Wednesday, 18th February, 2015 at 4.00 pm at the Registered Office of the Company. The result will be displayed at the Registered Office of the Company and communicated to BSE Limited & National Stock Exchange of India Limited on which Company's shares are listed ("Stock Exchanges"). The result will also be displayed along with the Scrutinizer's report on the Company's website and the website of Karvy Computershare Private Limited ("Karvy").

The resolutions, if approved by the requisite majority, will be deemed to have been passed at a general meeting convened in that behalf on the date of declaration of the result of the postal ballot as stated above.

PROPOSED RESOLUTIONS

Item No. 1: Amendment to Articles of Association

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 14 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force, and subject to approvals, permissions and sanctions from the appropriate authority, if any, the draft regulations contained in the Articles of Association of the Company which is available for public inspection at the registered office of the Company and on the Company's website, be and are hereby

approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take all the requisite, incidental, consequential and necessary steps to implement the forgoing resolution and to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate in the best interests of the Company, to settle any question, query, doubt or difficulty that may arise in this regard, and to execute/publish all such notices, applications, deeds, agreements, documents, papers, undertakings/bonds and writings as may be necessary and required for giving effect to this resolution."

Item No. 2: Hiving off of Alloy Steel Business 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 subject to the consents, approvals and permissions as may be required, and in terms of Sections 180(1)(a), 188 and 110 and other applicable provisions, if any, of the Companies Act, 2013 and any amendment thereto and Clause 49 of the Equity Listing Agreement entered into with BSE Limited & National Stock Exchange of India Limited (including any statutory modification, re-enactments and amendments thereof for the time being in force) and Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter may constitute to exercise its powers, including powers conferred by this Resolution), to transfer, sell or otherwise dispose off the Alloy Steel Business of the Company, together with congeries of rights of the Company in the said business including the concerned licenses, permits, consents, approvals whatsoever, to a prospective subsidiary of the Company as a going concern on slump sale basis on such terms and conditions and with effect from such date and in such manner as may be decided by the Board of Directors of the Company, in its absolute discretion, for an enterprise value of Rs. 1590,00,00,000/- (One thousand five hundred and ninety crores only) approximately, subject to deduction of debt and net working capital adjustment as on the date of transfer to be paid by the transferee i.e. the prospective subsidiary of the Company, in cash or in any other manner, to finalise the terms and conditions, the means, methods or modes in respect thereof, and to finalise and execute all required documents, including schemes of arrangements, agreements, deeds and other documents.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or contractual or otherwise in relation to the above resolution and to negotiate, finalize, settle all questions and matters arising out of and / or incidental thereto and to enter into and sign and execute, file, submit or withdraw, any or all such deeds, applications, forms, documents, agreements, indemnities, representations, warranties, undertakings and writings that may be required, on behalf of the Company and also to delegate all or any of the above power to any Committee of Directors of the Company for the purpose of implementation of aforesaid Resolution."

Item No. 3: Approval of Related Party Transactions

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 the revised clause 49(VII) of the Equity Listing Agreement with the Stock Exchanges and section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to ratify/ approve all existing contracts / arrangements/ agreements and to enter into contract(s)/transaction(s) with Mukand Sumi Metal Processing Limited ("MSMPL"), a subsidiary and hence a related party within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten per cent of the annual consolidated turnover of the Company as per audited financial statements of FY: 2013-14; having the following details and as detailed in the Explanatory Statement annexed hereto:

Description of Contract	Period of Contract	Total cumulative contract value with Related Party (Rs. Crore)
Sale, purchase, supply of any goods, including raw materials, finished products, scrap and capital goods, carrying out/availing job-work and hire of facilities, availing / rendering of marketing/ business transfer and other services, leasing of factory /office premises/facilities or any other transactions.	April 1, 2014 to March 31, 2015	460

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms & conditions thereof.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above Resolution."

Item No. 4: Appointment of Independent Director

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 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and any statutory modifications thereof and pursuant to the provisions of the Clause 49 of the Listing Agreement with the Stock Exchanges, Shri Amit Yadav (DIN : 02768784), who was appointed as an Additional Director of the Company with effect from 10th November, 2014 and in respect of whom the Company has received a 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 of the Company to hold office for a period of 5 consecutive years upto 9th November, 2019, not liable to retire by rotation."

By order of the Board
For **Mukand Limited**

K. J. Mallya
Company Secretary

Mumbai
Date: 22nd December, 2014

NOTES:

1. The explanatory statement and reasons for the proposed resolutions pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. The Postal Ballot Notice is being dispatched (in physical form and/or electronically, by email, to those members who have registered their email address with the Company) to all members, whose names would appear in the register of members / record of depositories as on Wednesday, December 31, 2014.
3. The despatch of the Notice along with the Explanatory Statement shall be announced through advertisement in at least one English newspaper and at least one Marathi newspaper, each with wide circulation in Mumbai, where the registered office of the Company is situated and also published on the website of the Company.
4. In compliance with the provisions of sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35B of the Listing Agreement with Stock Exchanges, the Company is offering e-Voting facility to all its eligible members as an alternative mode of voting which will enable the members to cast their vote electronically.
5. All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts and other statutory registers are open for inspection by the Members at the Registered Office of the Company between 10:00 a.m. and 2:00 p.m. on all working days except Saturdays, Sundays and national holidays, from the date hereof up to the end of the voting period.
6. A copy of this notice is placed on the website of the Company and the website of Karvy Computershare Private Limited.



THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SETTING OUT MATERIAL FACTS RELATING TO THE AFORESAID RESOLUTIONS:

Item No. 1 of the Notice

The Companies Act, 2013 ("the Act") contains several new provisions to facilitate better participation of management and members in the affairs of the Company and achieve better governance. The Articles of Association ("Articles") of the Company at present are based on the provisions of the erstwhile Companies Act, 1956 and it is advisable to alter/ amend/ replace the same in order to remain compliant with the new provisions of the law. Hence, as required by Section 14 of the Act, the Company seeks approval of members to amend/alter / replace its Articles of Association as per the resolution at item no.1 of the Notice. The new set of Articles, if approved, are proposed to replace the existing set of Articles of the Company w.e.f. the declaration of the result of the Postal Ballot.

The new set of Articles as mentioned in the Resolution at item no. 1 to the Notice is placed by the Company on its website www.mukand.com and is available for inspection at the Registered Office of the Company during working days from 10.00 a.m. to 2.00 p.m. till the end of the voting period.

None of the Directors, Key Managerial Personnel or their relatives is interested or concerned in the said resolution except to the extent of their holdings in the shares of the Company.

The Board recommends the Resolutions for approval of the Members.

Item No. 2 of the Notice

The Company at present operates mainly in business segments comprising of steel long products and industrial machinery. The steel business is being conducted from Company's steel plants located at Ginigera (Karnataka) and Dighe, Thane (Maharashtra). The steel business consists of two segments: 1) alloy steel business and 2) stainless steel business. The alloy steel products are manufactured upto billet and bloom stage at Ginigera and 20%-25% of the billets and blooms are rolled at Ginigera and balance quantity at Dighe. The stainless steel products are fully manufactured at Dighe.

The Ginigera Plant, set-up under a Strategic Alliance Agreement with Kalyani Steels Ltd., produces hot metal in mini blast furnaces by using iron ore. This hot metal is processed into steel in energy optimizing furnace, ladle refining furnace and vacuum degassing unit and cast into alloy and special steel blooms and billets. These are rolled into long products in rolling mills at Ginigera and Dighe and certain finishing activities are also carried out at Dighe, Thane. These steel long products are mainly sold to the auto industry, engineering industry, etc. in India and abroad.

The Ginigera Plant has surplus iron making capacity in the mini blast furnaces and has infrastructure of sufficient unused land, water and competent technical manpower.

The market for the Company's alloy steel products, viz. the auto industry in India, which grew steadily at a CAGR of 9 – 10 % per annum during past 14 years, has not grown as predicted during last 3-4 years. The Company's steel business in particular is at present operating under very challenging environment due to excess capacity and high costs. The Company has already taken some steps to reduce costs by investment in improved technologies. Further cost reduction can be achieved by economies of scale. Considering the expected improvements in the economy and the new investments in the infrastructure, the auto industry is once again poised to grow nearly threefold over the next decade. To meet such additional demand and cater to international market, it is necessary to expand alloy steel making facilities and further reduce cost by introducing new technologies. At Ginigera plant, the Company has surplus iron making capacity in mini blast furnaces and sufficient land, adequate power and water allocations from the Government and has well trained and competent technical manpower. Thus, the Company has capability to increase the capacity at Ginigera plant, by investments in balancing facilities and new rolling mills, at much lower capital costs, as compared to the green field plant. The capacity to produce the alloy steel products can increase from 370,000 MT per annum to 630,000 MT per annum (by 70%). It is also economical to shift the rolling and finishing facilities from Dighe to Ginigera to save on transport costs between Ginigera and Dighe and can use the waste gases from mini blast furnaces as fuel in the rolling mill thus, saving costs of using furnace oil.

A large number of Japanese auto manufacturers like Suzuki, Honda, Toyota, Nissan etc. have started expanding their operations in India. To meet their steel requirements, some Indian steel manufacturers have created strategic alliances with reputed Japanese Companies, like Usha Martin (with Aichi, Japan), Sunflag (with Daido, Japan), MUSCO (with Sanyo, Japan), JSW (with JFE, Japan). Such alliances help in technological up-gradation, cost reduction and faster product approval, mainly by the Japanese OEMs.

Once the steel plant capacity is increased, there is a good possibility to introduce steel products for exports to auto component manufacturing industry situated in South East Asia, where at present most of the high quality steel supplies are sourced from Japan or Korea. Indian products can meet the quality standards, as also, can be more cost competitive than the existing sources.

To set up balancing facilities and a new rolling mill at Ginigera, the Company has to mobilise adequate financial resources. The Company's current dependence on huge debts needs large funds to service the debts and repayments. This also affects the performance of the Company's business. To meet the new capital investment, further borrowings would be very difficult.

To improve the performance of the alloy steel business and to ensure a healthy growth, the Company has been exploring various options and opportunities to re-structure the same. One of the viable options considered by the management is to restructure the business by hiving-off the alloy steel business as a going concern by way of a slump sale, initially to a prospective subsidiary of the Company and thereafter look for and induct in such subsidiary, a strategic partner/s, who has capability to tap into latest technology, to provide qualitative and cost competitive edge in the various operations of the Company and have a worldwide marketing network to widen the Company's customer base.

As the first step towards accomplishment of the above objective, it is proposed to transfer the alloy steel business of the Company on a going concern basis as a slump sale to a subsidiary of the Company proposed to be incorporated, subject to the approval of the members, lenders and such other statutory approvals as may be required. For the purpose of effecting the transfer of the alloy steel business of the Company, the Company proposes to enter into a Business Transfer Agreement setting out the detailed terms and conditions for transfer of alloy steel business and other related agreements such as assignment deeds, applications to government authorities etc. Hence, it is proposed that a subsidiary be incorporated by the name "Mukand Alloy Steels Pvt. Ltd. (MASPL)" (or such other name approved by the Registrar of Companies). The Company has already obtained approval of shareholders under section-186 of the Companies Act, 2013 by postal ballot dated 8th August, 2014 for making investment in subsidiary/ies.

The second step shall be to induct a strategic partner/ investor in the aforesaid subsidiary. The Company has already initiated steps to identify a JV partner, having wide international marketing experience, suitable network and also capable to bring new technology as and when required.

Based on a valuation carried out by an independent valuer M/s. SSPA and Company, Chartered Accountants, the Enterprise value of the alloy steel business, evaluated as on 30-09-2014 is Rs.1,590 Crores. The Company proposes to transfer all the assets and liabilities of the alloy steel business at Ginigera and the current assets and liabilities related to alloy steel business at Dighe to the prospective subsidiary. Accordingly, the Company shall transfer Rs.425 Crores of debt and balance Rs.1,165 Crores shall be the cash consideration of the proposed transfer. The Company proposes to transfer entire alloy steel business at Ginigera. The rolling and finishing facility at Dighe shall not be transferred to the prospective subsidiary. Until a new rolling mill and finishing facilities are established at Ginigera, these activities will be carried-out on conversion basis by the Company at Dighe. It is proposed that the cash consideration for transfer of business will be paid by the prospective subsidiary over a period of 6-8 months and the interest will be charged on the unpaid consideration at 14% per annum, payable monthly from the date of transfer of business.

The above transfer of the alloy steel business of the Company to a prospective subsidiary, being a Related Party Transaction, has received prior approval of the Audit Committee of the Board pursuant to Section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement and the Audit Committee has recommended the same to the Board. The Board at its meeting held on 22nd December, 2014 approved the sale and transfer of the alloy steel business of the Company including all concerned licences, permits, consents and approvals whatsoever, to a prospective subsidiary.

The investment of the Company in the alloy steel business exceeds 20% of the net worth as per the audited Balance Sheet as at 31st March, 2014 and the said business has also generated more than 20% of the total income of the Company during the previous year ended 31st March, 2014. Therefore, pursuant to the provisions of section 180(1)(a) r.w.s. 110 of the Companies Act, 2013 and rules framed thereunder, the Company is required to obtain the consent of the members by a Special Resolution passed by Postal Ballot. Further, being a related party transaction, the Company is required to obtain approval of members by a Special Resolution under Clause 49 of the Listing Agreement with the Stock Exchanges and the related parties have to abstain from voting on such Special Resolution.



Additional particulars of the aforesaid transaction are as follows:

Sl. No.	Information required to be disclosed	Particulars
a.	Name of the Related Party:	A subsidiary which is proposed to be incorporated with the name Mukand Alloy Steels Private Limited or such other name approved by the Registrar of Companies.
b.	Name of the Director or Key Managerial Personnel who is related, if any:	Shri A. M. Kulkarni, Chief Executive Officer (Steel Plant, Thane)
c.	Nature of Relationship:	Subsidiary Company
d.	Nature, Material Terms, Monetary Value and Particulars of the contract or arrangement:	The Company will hive off / transfer on a going concern basis by way of slump sale its Alloy Steel Business to its subsidiary for an enterprise value of Rs.1,590 crore approximately (subject to deduction of debt and net working capital adjustment).
e.	Any other information relevant or important for the members to take a decision on the proposed resolution:	The Company proposes to hold 99% of the equity capital of the subsidiary proposed to be incorporated. The Enterprise Value is based on valuation by an Independent Valuer.

Except for Shri A. M. Kulkarni, Chief Executive Officer, Kalve Steel Plant who is proposed to be appointed as director of the prospective subsidiary subject to the consents, approvals and permissions as may be required, none of the Directors, Key Managerial Personnel or their relatives is interested or concerned in the said resolution except for their holdings in the shares of the Company and to the extent of their memberships and/ or directorships in the subsidiaries and associate companies.

The Board recommends the Resolution for approval of the Members.

Item No. 3 of the Notice

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the members by special resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on arm's length basis.

However, pursuant to revised clause 49 of the Listing Agreement with the Stock Exchanges ("revised clause 49") effective from 1st October, 2014, approval of the shareholders through special resolution is required for all material related party transactions(RPT) even if they are entered into in the ordinary course of business on arm's length basis. For this purpose, a RPT will be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The following transactions to be entered into by the Company, together with transactions already entered into by the Company with Mukand Sumi Metal Processing Ltd. ("MSMPL"), a subsidiary company and therefore a related party, during the current financial year, even though are in the ordinary course of business and on an arm's length basis, are estimated to exceed 10% of the annual consolidated turnover of the Company as per the audited financial statements of the Company for the year ended 31st March, 2014:-

Sl. No.	Nature of Transaction	FY: 2014-15 Estimated Annual Value of Contracts & Services [in Rs. crore]
	Sale of Goods & rendering of Services by the Company to MSMPL	
1.	Sale of Black Bars & Rods and Bright Bars & Rods	380
2.	Job Work Income	38
3.	Marketing Income	3
4.	Fees for Services	1
5.	Rent of Factory / Office	1
	Total Income	423

Sl. No.	Nature of Transaction	FY: 2014-15 Estimated Annual Value of Contracts & Services [in Rs. crore]
	Purchase of Goods & receiving of Services by the Company from MSMPL	
1.	Purchase of Scrap	27
2.	Job Work Charges / Hire Charges	7
3.	Purchase of Bright Bars & Rods	1
4.	Fees for Business Transfer	1
5.	Interest on Advances	1
	Total Expenditure	37
	Total Transaction Value	460

The other particulars of above transactions are as under:-

Sl. No.	Information required to be disclosed	Particulars
a.	Name of the Related Party:	Mukand Sumi Metal Processing Ltd.
b.	Name of the Director or Key Managerial Personnel who is related, if any:	Shri Rajesh V. Shah, Co-Chairman & Managing Director Shri A. M. Kulkarni (Chief Executive Officer, Steel Plant, Thane)
c.	Nature of Relationship:	Subsidiary Company
d.	Nature, Material Terms, Monetary Value and Particulars of the contract or arrangement:	Credit Period of 15 days
e.	Any other information relevant or important for the members to take a decision on the proposed resolution:	The transactions are in the ordinary course of business and at Arm's Length basis

The above transactions are approved by the Audit Committee as per the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.

In view the above, it is proposed seek approval of the members of the Company through Special resolution for the above transactions and the related parties are abstained from voting on the said resolution.

None of the Directors, Key Managerial Personnel or their relatives is interested or concerned in the said resolution except for their holdings in the shares of the Company and to the extent of their memberships and/ or directorships in the subsidiaries and associate companies.

The Board recommends the Resolution for approval of the Members.

Item No. 4 of the Notice

Section 149(10) of the Companies Act, 2013 ("the Act"), the provisions of which came into force w.e.f. 1st April, 2014, provides that an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but he shall be eligible for re-appointment on passing of a special resolution by the Company. Further Section 149(13) provides that provisions of Section 152(6) & 152(7) of the Act in respect of retirement of directors by rotation shall not be applicable to appointment of Independent Directors.

Schedule IV of the Act also lays down a Code for Independent Directors, stating therein the manner of appointment of an Independent Director. Further, as required by the Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company is required to have at least one-half of its Board comprising Independent Directors. In view of the resignation of Shri Pradip Shah, an Independent Director during the year, and in order to comply with the aforesaid provisions, upon the recommendation of the Nomination & Remuneration Committee, Shri Amit Yadav was appointed as an Additional Director in the board meeting held on 10th November, 2014 to fill up the said intermittent vacancy as per Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and subject to Shareholders' approval.

Considering the aforementioned provisions of the Act, the resolution seeks the approval of members for the appointment of Shri Amit Yadav as an Independent Director for a period of 5 years upto 9th November, 2019 and he shall not be liable to retire by rotation as per the aforementioned provisions of the Act.



The brief profile of Shri Amit Yadav is as follows:

Shri Amit Yadav is B.Sc. (Engr.) Civil with honours from Punjab Engineering College, Chandigarh. Shri Amit Yadav is a Fellow Member of Institution of Engineers (India) and a member of the panel of Arbitrators of Construction Industry Arbitration Council, New Delhi. He has a career spanning 31 years and was associated with Public Health Department of Uttar Pradesh (U.P.) and U.P. State Electricity Board. He has wide and varied experience covering design, planning and project management of power and real estate projects. He joined Life Insurance Corporation of India (LIC) in 1996 and had worked as an Executive Director (Engineering) at Central Office, Mumbai with overall responsibility for all engineering functions and development of real estate. He retired from the services of LIC on 31st August, 2014. Shri Amit Yadav was a director of the Company, as a representative of LIC during the period 27th October, 2010 to 13th August, 2014

The Company has received necessary disclosure from the Director as required by the provisions of the Act and the Companies (Appointment & Qualification of Directors) Rules, 2014 including a declaration of independence stating that he meets the criteria of independence.

In the opinion of the Board of Directors, Shri Amit Yadav fulfills the conditions of being Independent as specified in the Act and the Rules made thereunder and is independent of the management of the Company. The Board considers that his appointment on the Board would be of immense benefit to the Company.

The terms and conditions for appointment of an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company on any working day, from 10.00 a.m. to 2.00 p.m. up to the last date of receipt of the postal ballots. The same is also available on the website of the Company.

Except for Shri Amit Yadav, being an appointee, none of the Directors, Key Managerial Personnel or their relatives is interested or concerned in the said resolution except for their holdings in the shares of the Company and to the extent of their memberships and/ or directorships in the subsidiaries and associate companies.

This Statement setting out the material facts may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board recommends the Resolutions for approval of the Members.

Your approval is sought by voting through Postal Ballot / e-Voting in accordance with the aforesaid provisions of the Companies Act, 2013 and rules made there under, for passing the aforesaid Resolutions as set out in this Notice.

By order of the Board
For **Mukand Limited**

K. J. Mallya
Company Secretary

Mumbai
Date: 22nd December, 2014

Registered Office:

Bajaj Bhawan, 3rd floor, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai - 400021.



MUKAND LIMITED

(CIN No.: L99999MH1937PLC002726)

Registered Office: Bajaj Bhawan, 3rd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021

Tel: 022-61216666, **Fax:** 022-22021174, **E-mail:** investors@mukand.com, **Website:** www.mukand.com

POSTAL BALLOT FORM

Serial No.

1. Name(s) of Shareholder(s) (in Block Letters) :
(including joint holders, if any) and Registered address of the sole/first named Shareholder
2. Registered Folio No./DP ID No. /Client ID No.* :
(* Applicable to investors holding shares in dematerialised form)
3. Number of Equity Share(s) held :
4. e-Voting Event Number (EVEN) :
5. User-ID :
6. Password :
7. I/We hereby exercise my/our vote in respect of following Resolutions to be passed through Postal Ballot / e-Voting for the businesses stated in the notice of the Company by sending my/our assent or dissent to the said Resolution by placing tick (✓) mark at the appropriate box below:

Sr. No.	Description of the Resolution	No. of Shares for which Votes cast	I / We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Amendment to Articles of Association			
2	Hiving off of Alloy Steel Business of the Company			
3	Approval of Related Party Transactions			
4	Appointment of Independent Director			

Place :

Date :

Signature of the Shareholder

(Refer Instruction No. I.3 given overleaf)

P.T.O.

INSTRUCTIONS

I. GENERAL INFORMATION

1. There will be one Postal Ballot form/ e-Voting for every Client ID No./ Folio No., irrespective of the number of joint holders.
2. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-Voting. In case of members opting for voting by Postal Ballot, they are requested to not cast their vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
3. Voting rights in the Postal Ballot / e-Voting cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives with proof of their authorisation, as stated below. Voting rights of every member shall be in proportion to his/her share of the paid up equity share capital of the Company.

II. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

1. Members desirous of casting their vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the Scrutinizer in the enclosed postage prepaid self addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
2. In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant board resolution / appropriate authorisation, with the specimen signature(s) of the authorised signatory /ies duly attested.
4. The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialised form or in physical form, respectively.
5. Votes will be considered invalid on the following grounds:
 - (a) If the member's signature registered with the Company or with the depository participant does not tally or the ballot form is unsigned;
 - (b) Neither assent nor dissent is mentioned in the Form;
 - (c) If the member has marked both in favor as well as against the resolution;
 - (d) If the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked on one or more of the above grounds;
 - (e) If voting is done through any other form or photocopy of the Postal Ballot Form;
 - (f) If the envelope containing the Postal Ballot Form is received after the last date prescribed;
 - (g) Any other grounds which the Scrutinizer believes to invalidate the vote.
6. The votes should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the columns will render the form invalid.
7. Completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours i.e at 5.00 p.m. on 13th February, 2015. Postal Ballot Forms received after this date will be considered invalid. The self-addressed pre-paid envelope bears the address of the Registered Office of the Company and is marked to the attention of the Scrutinizer appointed by the Board of Directors.
8. A shareholder may request for a duplicate Postal Ballot Form from M/s. Karvy Computershare Pvt. Ltd., Unit- Mukand Ltd., Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad 500081, or to the e-mail ID einward.ris@karvy.com if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item 7 above.
9. Members are requested not to send any paper (other than the resolution/authority as mentioned under paragraph II.3. above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
10. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on 31st December, 2014 ("Cut-off Date").
11. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
12. Members are requested to fill in the postal ballot form with indelible ink and not by any erasable writing mode.

III. PROCESS FOR MEMBERS OPTING FOR E-VOTING

(A) In case of Members receiving the Postal Ballot Form by E-mail:

- (i) Open e-mail and open PDF file viz; "Mukand e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://evoting.karvy.com>
- (iii) Click on "Shareholder – Login".
- (iv) Insert user ID and password as initial password noted in step (A) (i) above. Click "Login".
- (v) "Password change" menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of "e-Voting" opens. Click on "e-Voting:Active E-voting Cycles".
- (vii) Select "EVEN" (Electronic Voting Event Number) of Mukand Limited.
- (viii) Now you are ready for e-Voting as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also click on "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) For the votes to be considered valid, the corporate and institutional shareholders (companies, trusts, societies, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution / Appropriate Authorization etc. together with attested specimen signature of the duly authorized signatory/ies to the Scrutinizer through e-mail at khamankar@gmail.com with a copy marked to evoting@karvy.com.

(B) In case of Members receiving Postal Ballot Form by Post/Courier:

- (i) User ID and initial password is provided at the bottom of the Postal Ballot Form.
- (ii) Please follow all steps from Sr. No. A(ii) to A(xii) above, to cast your vote.

(C) If you are already registered with Karvy Computershare Pvt. Ltd. (Karvy) for e-voting then you can use your existing user ID and password for Login to cast your vote.

(D) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) for Shareholders and e-voting user manual for Shareholders available at the E-Voting website of Karvy: <https://evoting.karvy.com>. You can also send your queries/ grievances relating to e-voting to the e-mail ID:- evoting@karvy.com

(E) The period for e-voting starts on 15th January, 2015 and ends on 13th February, 2015. E-voting shall be disabled/blocked by Karvy at 5:00 p.m. on 13th February, 2015.