



SECY / 2014 / 761
Friday, October 24 2014

The Manager, Listing Department,
National Stock Exchange of India Limited
"Exchange Plaza", C - 1, Block G,
Bandra - Kurla Complex, Bandra (East),
MUMBAI - 400 051

REGD. OFFICE :
33, MOUNT ROAD, SADAR, NAGPUR - 440 001 (INDIA)
PH.: 2524661, 2532901, 2520356, 2520358 FAX : 0712-2520360
E-Mail : admin@sunflagsteel.com
Website : www.sunflagsteel.com
CIN: L27100MH1984PLC034003

Sub: Updates – Minutes of 28th Annual General Meeting
held on 26th September 2014

Ref : NSE Script Code : SUNFLAG

Dear Sir / Madam,

With reference to the captioned subject, we are enclosing herewith the Certified True Copy of the Minutes of the 28th Annual General Meeting held on Friday, the 26th September 2014 at Nagpur.

You are kindly requested to place the aforesaid information on records. Meantime, kindly acknowledge the receipt.

Sincerely,

For Sunflag Iron and Steel Company Limited

CS Pranab Panigrahi
Company Secretary

Encl a/a.:

Visit us at www.sunflagsteel.com

BHANDARA OFFICE :
BHANDARA ROAD,
WARTHI - 441 905
TEL.: 285551 TO 285555
FAX : 07184 - 285570
GRAM : FLAGDYER
E-mail : admin@sunflagsteel.com

DELHI OFFICE :
11th FLOOR, 1116A-1119B,
E BLDCK, INTERNATIONAL
TRADE TOWER, NEHRU PLACE
NEW DELHI - 110 019
TEL.: 011-26465122/5487
FAX : 011-26280074

MUMBAI OFFICE :
307, HAMILTON - B
HIRANANDANI BUSINESS PARK
GHODBUNDER ROAD,
THANE - 400 607
TEL. : 022-25862294/5/6
FAX : 022-25861931
E-mail : sunbom@sunflagsteel.com

KOLKATA OFFICE :
8, B.T. ROAD,
BELGHORIA,
KOLKATA - 700 056
TEL.: 033 - 25442429, 25442430
FAX : 033 - 25442431
E-mail : cal@sunflagsteel.com

CHENNAI OFFICE :
No. 705, 7th FLOOR,
'CHELLAMALL' 11/11-A,
SIR THIAGARAYA ROAD, T. NAGAR,
FARIDABAD.
TEL.: 0129 - 4290800/12
FAX : 0129 - 4290820
E-mail : fbd@sunflagsteel.com

FARIDABAD OFFICE :
PLOT No. 12, SCTOR-B
MATHURA ROAD,
FARIDABAD.
TEL.: 0129 - 4290800/12
FAX : 0129 - 4290820
E-mail : fbd@sunflagsteel.com

PUNE OFFICE :
OFF. No. 65-69, FIFTH FLOOR,
'SAI KRIPA BHAVAN',
PUNE MUMBAI HIGHWAY,
OPP. KSB PUMPS, S. No. 5743,
KHARALWADI, PIMPRI,
PUNE - 411 018.
TEL.: 020 - 27424685, 27425607
FAX : 020 - 27423013
E-mail : sunpun@sunflagsteel.com



HELD AT _____ ON _____ TIME _____

MINUTES OF THE 28TH ANNUAL GENERAL MEETING OF THE MEMBERS OF SUNFLAG IRON AND STEEL COMPANY LIMITED HELD ON FRIDAY, THE 26TH SEPTEMBER, 2014 AT 3.00 P. M. AT INDIAN MEDICAL ASSOCIATION'S J. R. SHAW AUDITORIUM, NORTH AMBAZARI ROAD, NAGPUR - 440 010

PRESENT :**DIRECTOR**

- | | |
|-------------------------------|--|
| 01. Mr. P B BHARDWAJ | - CHAIRMAN |
| 02. Mr. RAVI BHUSHAN BHARDWAJ | - VICE - CHAIRMAN & MANAGING DIRECTOR, SHAREHOLDER |
| 03. Mr. SAMPANGI GAJENDRAN | - DIRECTOR |
| 04. CA JAYESH M PARMAR | - DIRECTOR |
| 05. Mr. SURENDRA KUMAR GUPTA | - DIRECTOR & CEO, SHAREHOLDER |

ALSO PRESENT :

- | | |
|---------------------|--|
| CA R Muralidhar | - Executive Director (Finance) & CFO |
| CA Jayant I Mehta | - Statutory Auditors - M/s. Patel, Shah & Joshi, Chartered Accountants, Mumbai |
| CS Pranab Panigrahi | - Company Secretary & Compliance Officer |
| CS Mukesh D Parakh | - Company Secretary |
| CS Pinkush Jaiswal | - Scrutinizer - M/s. Pinkush Jaiswal & Associates, Company Secretary in Practice |

MEMBERS - 51 (As per AGM attendance register)

PROXIES - 2 (As per AGM Proxy register)

PROCEEDINGS :**STATUTORY RECORDS AND REGISTERS**

The statutory records, registers and documents as required to be maintained by the Company were placed before the meeting and kept open / accessible to the members for inspection during the continuance of the Meeting.

CHAIRMAN OF THE MEETING

Mr. P. B. Bhardwaj, Chairman of the Company, presided over the meeting.

QUORUM

The quorum being present, the Chairman declared the meeting open and welcomed the members present.

CHAIRMAN'S SPEECH

The Chairman in his brief address appraised to the members about challenges the Company faced in last financial year. Also appraised the major influence has been the impact of slow economy, weak consumer demand and sales are dependent on the state of the economy and industry and public confidence. The domestic commercial vehicle industry growth was decline in last three years. In last couple of years, many major infrastructure projects have been stalled resulting in lower demand for commercial vehicle.

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// CERTIFIED TRUE COPY //
For SUNFLAG IRON AND STEEL COMPANY LIMITED

P. Panigrahi
CS PRANAB PANIGRAHI
COMPANY SECRETARY

[Signature]
 CHAIRMAN'S INITIALS

HELD AT _____

ON _____

TIME _____

The Chairman appraised the members about the recent judgment of Hon'ble Supreme Court of India on Coal mining cases and the impact of that decision on the Company.

The Chairman also appraised in order to face these challenges the Company has strengthen its technology-sharing pact with Daido Steel Co. Ltd, Japan, ('Daido') is one of the major alloy steel manufacturers in Japan, incorporated in year 1950 and are catering the major portion of the steel requirement for auto components in Japan. The collaboration will enable the Company to produce high quality speciality steel to meet the rising demand for those products in India.

The Chairman apprised the Members that Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement/s, the Company has provided e-voting facility to its Members through CDSL platform, starting at 9:00 hrs on 19th September 2014 till at 18:00 hrs on 20th September 2014. To conduct the e-voting process, the Board of Directors of the Company has appointed M/s. Pinkush Jaiswal & Associates, Company Secretary in Practice, as a Scrutinizer, as per the provisions of the Act read with the Rules made thereunder.

While acknowledging all round support of all concerned, the Chairman assured the members that the Company is in safe hands.

DIRECTORS' REPORT AND ACCOUNTS

With the consent of the Members present, the Directors' Report and Accounts were taken as read.

AUDITOR'S REPORT

With the consent of the Members present, the Auditor's Report and Accounts were taken as read.

Chairman appraised the members in person and proxy at the meeting, that as per the provision of Section 108 and 109 of the Companies Act, 2013 and as per Clause 35A of the Listing Agreement, E-voting is mandatory to our Company and to get result of any business item as mentioned in Agenda, physical poll is required.

The Chairman, with due consent of the Members present in person and proxy and in consultation with the Scrutinizer for the meeting, declared that the poll process will be conducted at the end of the meeting for each and every business mentioned in the agenda.

The Chairman thereafter proceeded to take up the items of the Agenda for consideration of the Shareholders.

ORDINARY BUSINESS

ITEM NO. 01 : ADOPTION OF AUDITED FINANCIAL STATEMENTS (STANDALONE & CONSOLIDATED) - BALANCE SHEET AS AT 31st MARCH 2014, STATEMENT OF PROFIT & LOSS FOR THE FINANCIAL YEAR ENDED 31st MARCH 2014 AND REPORTS OF THE STATUTORY AUDITORS', BOARD OF DIRECTORS INCLUDING CORPORATE GOVERNANCE

The Chairman proposed the following Ordinary Resolution, which was seconded by Mr. D S Kalne, Shareholder of the Company :-

"RESOLVED THAT the Audited Financial Statements (Standalone & Consolidated) of the Company for the year ended 31st March 2014, the Balance Sheet as at that date, Statement of Profit and Loss and Cash Flow Statement for the financial year ended 31st March 2014, together with the Reports of the Auditors and Board of Directors, including Corporate Governance thereof as printed and circulated, be and are

P. Jaiswal



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CHAIRMAN'S INITIALS

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hereby approved and adopted.”

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

Since, Mr. P B Bhardwaj (Chairman), is an interested party under Item No. 02 and 03, Mr. P B Bhardwaj stepped down from the Chair and handed over the Chair to the Non-interested Director – Mr. S K Gupta, Director & CEO of the Company.

ITEM NO. 02 : RE-APPOINTMENT OF Mr. P B BHARDWAJ AS A DIRECTOR OF THE COMPANY

Ms. Asha Sainani, Shareholder, proposed the following Ordinary Resolution which was seconded by Mr. Dilip Jumde, Shareholder :-

“RESOLVED THAT Mr. P B Bhardwaj, (DIN : 00136076) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company.”

Mr. S K Gupta thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 03 : RE-APPOINTMENT OF Mr. RAVI BHUSHAN BHARDWAJ AS A DIRECTOR OF THE COMPANY

Mr. Bhupendra Sanghavi, Shareholder proposed the following Ordinary Resolution which was seconded by Mr. Naveen Manchandia, Shareholder :-

“RESOLVED THAT Mr. Ravi Bhushan Bhardwaj, (DIN : 00054700) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company.”

Mr. S K Gupta thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 04 : RE-APPOINTMENT OF MESSERS PATEL, SHAH & JOSHI, CHARTERED ACCOUNTANTS, MUMBAI AS THE STATUTORY AUDITORS OF THE COMPANY AND TO FIX THEIR REMUNERATION

Ms. S Mahadevan, Shareholder, proposed the following Ordinary Resolution which was seconded by Mr. D B Shukla, Shareholder :

“RESOLVED THAT pursuant to Section 139, 141 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Messers Patel, Shah & Joshi, Chartered Accountants, Mumbai (ICAI Firm Registration No. 107768W), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at a remuneration as decided by the Committee of the Board or Board of Directors of the Company.”

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

SPECIAL BUSINESS :-

ITEM NO. 05 : APPOINTMENT OF DR. E. R. C. SHEKAR (DIN : 00013670) AS A NON-EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY FOR A FIXED TERM OF CONTINUOUS PERIOD OF THREE (3) YEARS – ORDINARY RESOLUTION

Mr. B J Nair, shareholder proposed the following Special Resolution which was seconded by Mr. Sachin

B. J. Nair



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Kondewar, Shareholder of the Company.

"RESOLVED THAT in accordance with the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013, Schedule IV to the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications and/or re-enactment for the time being in force) and pursuant to provisions of the Listing Agreement/s, Dr. E.R.C. Shekar (DIN : 00013670), in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Non-executive, Independent Director of the Company to hold the office for a fixed term of three (3) consecutive years i.e. from the conclusion of 28th Annual General Meeting up to the conclusion of 31st Annual General Meeting of the Company in the calendar year 2017."

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 06 : APPOINTMENT OF MR. S. GAJENDRAN (DIN : 00250136) AS A NON-EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY FOR A FIXED TERM OF CONTINUOUS PERIOD OF THREE (3) YEARS – ORDINARY RESOLUTION

Mr. Prashant Deshmukh, shareholder proposed the following Special Resolution which was seconded by Mr. C S Katakwar, Shareholder of the Company.

"RESOLVED THAT in accordance with the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013, Schedule IV to the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force) and pursuant to provisions of the Listing Agreement/s, Mr. S Gajendran (DIN : 00250136), in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Non-executive, Independent Director of the Company to hold the office for a fixed term of three (3) consecutive years i.e. from the conclusion of 28th Annual General Meeting up to the conclusion of 31st Annual General Meeting of the Company in the calendar year 2017."

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 07 : APPOINTMENT OF CA JAYESH M PARMAR (DIN : 00802843) AS A NON-EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY FOR A FIXED TERM OF CONTINUOUS PERIOD OF THREE (3) YEARS – ORDINARY RESOLUTION

Mr. Madhu Keshpage, shareholder proposed the following Special Resolution which was seconded by Mr. Anil Sarve, Shareholder of the Company.

"RESOLVED THAT in accordance with the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013, Schedule IV to the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force) and pursuant to provisions of the Listing Agreement/s, CA Jayesh M Parmar (DIN : 00802843), in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Non-executive, Independent Director of the Company to hold the office for a fixed term of three (3) consecutive years i.e. from the conclusion of 28th Annual General Meeting up to the conclusion of 31st Annual General Meeting of the Company in the calendar year 2017."

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

P. Papirach



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CHAIRMAN'S INITIALS

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ITEM NO. 08**APPOINTMENT OF MR. KUMAR JITENDRA SINGH (DIN : 00626836) AS A NON-EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY FOR A FIXED TERM OF CONTINUOUS PERIOD OF THREE (3) YEARS – ORDINARY RESOLUTION**

Mr. V J Katakwar, shareholder proposed the following Special Resolution which was seconded by Mr. P K Banerjee, Shareholder of the Company.

“RESOLVED THAT in accordance with the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013, Schedule IV to the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force) and pursuant to provisions of the Listing Agreements, Mr. Kumar Jitendra Singh (DIN : 00626836), whose period of office is expiring at the ensuing Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Non-executive, Independent Director of the Company to hold the office for a fixed term of three (3) consecutive years i.e. from the conclusion of 28th Annual General Meeting up to the conclusion of 31st Annual General Meeting of the Company in the calendar year 2017.”

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

Since, Mr. P B Bhardwaj (Chairman), is an interested party under Item No. 09 and 10, Mr. P B Bhardwaj stepped down from the Chair and handed over the Chair to the Non-interested Director – Mr. S K Gupta, Director & CEO of the Company.

ITEM NO. 09**APPROVE THE PAYMENT OF EXISTING REMUNERATION AS MINIMUM REMUNERATION AND WAIVER OF EXCESS REMUNERATION PAID TO MR. RAVI BUSHAN BHARDWAJ, VICE-CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY - SPECIAL RESOLUTION**

Mr. Dharendra Sanghavi, shareholder proposed the following Special Resolution which was seconded by Mr. S V Bhandari, Shareholder of the Company.

“RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 & 311 and other applicable provisions, if any, of the Companies Act, 1956, Schedule XIII to the Act, substituting with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force) and/or subject to the approval of the Central Government, the Company do hereby approves the payment of existing remuneration, as set out in the explanatory statement annexed hereto, to Mr. Ravi Bhushan Bhardwaj (DIN : 00054700) as the Vice-Chairman & Managing Director of the Company, as minimum remuneration and waiver of excess remuneration paid during the financial year from 1st April 2013 to 31st March 2014 in view of the Company having inadequate profit during the financial year ended 31st March 2014, with liberty to the Board of Directors including any Committee thereof to revise, amend, alter, vary and implement the terms and conditions of remuneration in such manner and as may be permitted in accordance with the provisions of the Companies Act, 1956 as well as Companies Act, 2013 and/or any modifications/ amendments thereof.

FURTHER RESOLVED THAT the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

Mr. S K Gupta thereafter *Sou Moto* proposed the Resolution for poll.

S. K. Gupta



[Signature]

CHAIRMAN'S INITIALS

HELD AT _____

ON _____

TIME _____

ITEM NO. 10 : APPROVE THE PAYMENT OF EXISTING REMUNERATION AS MINIMUM REMUNERATION AND WAIVER OF EXCESS REMUNERATION PAID TO MR. PRANAV BHARDWAJ, JOINT MANAGING DIRECTOR OF THE COMPANY - SPECIAL RESOLUTION

Mr. Bhushan Tembhekar, shareholder proposed the following Special Resolution which was seconded by Mr. S K Bhagat, Shareholder of the Company.

“RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 & 311 and other applicable provisions, if any, of the Companies Act, 1956, Schedule XIII to the Act, substituting with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force) and/or subject to the approval of the Central Government, the Company do hereby approves the payment of existing remuneration, as set out in the explanatory statement annexed hereto, to Mr. Pranav Bhardwaj (DIN : 00054805) as the Joint Managing Director of the Company, as minimum remuneration and waiver of excess remuneration paid during the financial year from 1st April 2013 to 31st March 2014 in view of the Company having inadequate profit during the financial year ended 31st March 2014, with liberty to the Board of Directors including any Committee thereof to revise, amend, alter, vary and implement the terms and conditions of remuneration in such manner and as may be permitted in accordance with the provisions of the Companies Act, 1956 as well as Companies Act, 2013 and/or any modifications / amendments thereof.

FURTHER RESOLVED THAT the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

Mr. S K Gupra thereafter *Sou Moto* proposed the Resolution for poll.

Mr. P B Bhardwaj, Chairman take back the Chair.

ITEM NO. 11 : APPROVE THE PAYMENT OF EXISTING REMUNERATION AS MINIMUM REMUNERATION AND WAIVER OF EXCESS REMUNERATION PAID TO MR. SURENDRA KUMAR GUPTA, WHOTE-TIME DIRECTOR, DESIGNATED AS DIRECTOR & CEO OF THE COMPANY - SPECIAL RESOLUTION

Mr. Satya Prasad, shareholder proposed the following Special Resolution which was seconded by Mr. Vinod Jaiswal, Shareholder of the Company.

“RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 & 311 and other applicable provisions, if any, of the Companies Act, 1956, Schedule XIII to the Act, substituting with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, Schedule V to the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications and / or re-enactment thereof for the time being in force) and/or subject to the approval of the Central Government, the Company do hereby approves the payment of existing remuneration, as set out in the explanatory statement annexed hereto, to Mr. Surendra Kumar Gupta (DIN : 00054836) as the Whole-time Director, designated as Director & CEO of the Company, as minimum remuneration and waiver of excess remuneration paid during the financial year from 1st April 2013 to 31st March 2014 in view of the Company having inadequate profit during the financial year ended 31st March 2014, with liberty to the Board of Directors including any Committee thereof to revise, amend, alter, vary and implement the terms and conditions of remuneration in such manner and as may be permitted in accordance with the provisions of the Companies Act, 1956 as well as Companies Act, 2013 and/or any modifications / amendments thereof.

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CHAIRMAN'S INITIALS

HELD AT _____

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FURTHER RESOLVED THAT the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution."

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 12 :

**AUTHORISATION TO BOARD OF DIRECTORS FOR
BORROWING POWERS : INCREASE IN BORROWING LIMITS
NOT EXCEEDING INR 1000 CRORES - SPECIAL
RESOLUTION**

Mr. M. M. Rao, shareholder proposed the following Special Resolution which was seconded by Mr. Sanjay Chawandake, Shareholder of the Company.

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the 6th Annual General Meeting held on 3rd July, 1991 and Ordinary Resolution passed at 22nd Annual General Meeting held on 23rd September 2008 and pursuant to provisions of Section 180 and all other applicable provisions, if any, of the Companies Act, 2013 and the 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 for borrowing, from time to time, any sum or sums of moneys which together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate, for the time being of the paid-up capital of the Company and its free Reserves, that is to say, Reserves not set apart for any specific purpose, provided that the total amount of money so borrowed by the Board shall not at any time exceed INR 1,000 Crores (INR One Thousand Crores)"

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 13 :

**AUTHORISATION TO BOARD OF DIRECTORS FOR
CREATION OF CHARGES / MORTGAGE / HYPOTHECATIONS
IN FAVOUR OF BANKS AS SECURITY AGAINST LOAN /
FINANCIAL ASSISTANCE - SPECIAL RESOLUTION**

Mr. Joshi Thomas, shareholder proposed the following Special Resolution which was seconded by Mr. A M Zade, Shareholder of the Company.

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of the provisions of Section 180 and all other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company, for creation by the Board of Directors of the Company of such mortgage, charges, hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company as the Board may direct, on such of the undertakings including the movable and immovable properties of the Company and assets of all kinds, both present and future, in the form of first and/or second and/or subservient mortgage / charge and/or floating charge and in such manner as the Board may direct, together with power to take over the Management of the Company in certain events to or in favour of all or any of the Banks, any other investing agencies, trustees for the holders of debentures/bonds/other instruments which may be issued to and subscribed by all or any of the Banks / any other investing agency or any other person/s / bodies corporates by way of private placement or otherwise, to secure repayment of such debentures / bonds or other instruments / term loans / any other form of financial assistance availed by the Company of an amount not exceeding to INR 1,000 Crores (INR One Thousand Crores) at any time together with interests thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, or on redemption costs, charges, expenses and all other moneys payable by the Company to the aforesaid parties or any of them under the loan agreements / arrangements entered into / to be entered into by the Company in respect of the said debentures / bonds or other instruments / term loans / any other form of financial assistance.

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CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to finalise with the Banks and/or others, the documents for creating mortgage / charge / hypothecations and accepting / making any alterations / changes / variations, to or in the terms and conditions, to do all such acts, deeds, matters and things and to execute all such documents and writing as it may consider necessary for the purpose of giving effect to this resolution."

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 14 : APPROVAL / RATIFICATION OF APPOINTMENT AND FIXATION OF REMUNERATION TO MR. G. R. PALIWAL & COMPANY, COST ACCOUNT, NAGPUR AS COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2014 - 2015 – ORDINARY RESOLUTION

Mr. A J Siddqui, shareholder proposed the following Special Resolution which was seconded by Mr. S Bopche, Shareholder of the Company.

"RESOLVED THAT pursuant to provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications and / or re-enactment thereof, for the time being in force, M/s G R Paliwal & Company, Cost Accountants, Nagpur, whose appointment as the Cost Auditors of the Company for the financial year 2014-2015 has been duly approved by the Board of Directors based on the recommendations of the Audit Committee of the Board of the Company, be paid a sum INR 150,000 (INR One Lac Fifty Thousand) plus service tax as applicable and reimbursement of actual out of pocket expenses, as a remuneration for audit of cost records of the Company for the financial year 2014-2015, as recommended by the Board of Directors based on the recommendations of the Audit Committee of the Board of the Company."

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

ITEM NO. 15 : AMENDMENTS TO ARTICLE OF ASSOCIATION OF THE COMPANY : PRE-EMPTION RIGHTS IN FAVOUR OF DAIDO STEEL CO. LTD., JAPAN – SPECIAL RESOLUTION

Mr. Sunil Bansod, shareholder proposed the following Special Resolution which was seconded by Mr. A M Vishvakarma, Shareholder of the Company.

"RESOLVED THAT pursuant to provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification/s and / or re-enactment thereof, for the time being in force, Article 12(2) of the Articles of Association of the Company be and is hereby altered and substituted in its place and stated as under :

1. *Notwithstanding anything contained in sub-clause(1) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) sub-clause(1) hereof) in any manner whatsoever;*
- a) *If a special resolution to that effect is passed by the Company in general meeting; or*
- b) *Where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote if any, of the Chairman) by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.*

PROVIDED THAT the Company shall not issue any shares to any person unless the Company has offered

P. Paliwal



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CHAIRMAN'S INITIALS

HELD AT _____

ON _____

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to Daido Steel Co. Ltd., Japan, the rights to acquire its pro rata shares of such issuance, to maintain its aggregate shareholding in the Company of 10% of the paid up share capital of the Company, on the same terms and conditions as are offered to the proposes recipient.

For the avoidance of doubt, the rights under this Article 12(2) may only be enjoyed by Daido Steel Co. Ltd., Japan, as long as Daido Steel Co. Ltd., Japan, holds 10% of the paid up equity capital of the Company and shall not be capable of being transferred to any third party.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may consider necessary for the purpose of giving effect to this resolution."

The Chairman thereafter *Sou Moto* proposed the Resolution for poll.

The scrutinizer thereafter in consultation with the Chairman initiated the poll process in accordance with the provisions of Section 109 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Clause 35B of the Listing Agreement.

After the completion of poll, the scrutinizer reported the Chairman that the poll was completed, which was duly reported by the Chairman before the meeting. The Chairman added that, the scrutinizer shall submit their report, as per the provisions of the Act read with Rules made thereunder. The report of the scrutinizer will be based on the results of the poll and the results of e-voting. The result of the aforesaid Special Resolutions shall be declared as per the provisions of the Act read with Rules made thereunder.

The results of e-voting, poll and the combined results of e-voting and poll, so declared as per the provisions of the Act read with Rules made thereunder, be posted on the web site of the Company as well as web site of Stock Exchanges and CDSL.

The passing of the resolution by e-voting and/or by poll shall be treated as passed in the AGM.

VOTE OF THANKS

Vote of thanks was proposed by CS Pranab Panigrahi, Company Secretary of the Company.

The Chairman thereafter declared the meeting closed, which concluded with a vote of thanks to the Chair.



RAVI BHUSHAN BHARDWAJ
Vice - Chairman & Managing Director



CHAIRMAN'S INITIALS

HELD AT _____

ON _____

TIME _____

**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

ITEM NOS. 5, 6 & 7 :

Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar are the Non-executive, Independent Directors of the Company. Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors of the Company.

The Company has also received declarations from Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under the provisions of the Listing Agreement/s.

The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidatures of each of Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar for the office of the Director of the Company.

In the opinion of the Board, Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar fulfill the conditions for appointment as Non-executive, Independent Directors as specified in the Act and the Listing Agreement/s. The brief profile/s of the Director/s is given in the Annex to Directors Report and forms part of the Notice.

It is proposed to appoint Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar as Non-executive, Independent Directors under Section 149, 152 of the Act and provisions of the Listing Agreement/s, to hold the office for a fixed term of consecutive three (3) years, i.e. from the conclusion of 28th Annual General Meeting up to the conclusion of 31st Annual General Meeting of the Company in the calendar year 2017.

Copy of the draft letter for respective appointments of Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar as Non-executive, Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Dr. ERC Shekar, Mr. S Gajendran and CA Jayesh M Parmar may be deemed to be interested in the Resolutions set out respectively at Item No. 5, 6 and 7 of the Notice with regard to their respective appointments.

Except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these Resolutions.

ITEM NO. 8 :

The Board of Directors at their meeting held on 5th August 2014, based on the recommendation of Nomination and Remuneration Committee, has considered and approved the appointment of Mr. Kumar Jitendra Singh as an Additional Director (Non-executive, Independent) of the Company effective 5th August 2014 to hold the office till the conclusion of ensuing Annual General Meeting.

Mr. Kumar Jitendra Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given consent to act as a Director of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Kumar Jitendra Singh for the office of the Director of the Company. The brief profile of Mr. Kumar Jitendra Singh is given in the Annex to Directors Report and forms part of the Notice.

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P. Raju



[Signature]

CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

It is proposed to appoint Mr. Kumar Jitendra Singh as a Non-executive, Independent Director under Section 149, 152 of the Act and provisions of the Listing Agreement/s to hold the office for a fixed term of consecutive three (3) years i.e. from the conclusion of 28th Annual General Meeting up to the conclusion of 31st Annual General Meeting of the Company in the calendar year 2017.

Mr. Kumar Jitendra Singh may be deemed to be interested in the Resolution set out at Item No. 8 of the Notice with regard to his appointment as a Non-executive, Independent Director of the Company.

Except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

ITEM NOS. 9, 10 & 11 :

The Members will recall the appointment including re-appointment of, terms and conditions including payment of remuneration to, Mr. Ravi Bhushan Bhardwaj (Vice-Chairman & Managing Director), Mr. Pranav Bhardwaj (Joint Managing Director) and Mr. Surendra Kumar Gupta (Whole-time Director designated as Director & CEO), as to their respective office/s were duly approved by the Members by ordinary resolutions at the Twenty-second (22nd), Twenty-fourth (24th) and Twenty-sixth (26th) Annual General Meeting/s held on 23rd September 2008, 23rd September 2010 and 25th September 2012, respectively and by special resolutions at the Twenty-seventh (27th) Annual General Meeting held on 25th September 2013, pursuant to the provisions of Section 198, 269, 309, 310 & 311 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Act.

The Board of Directors at its meeting held on 21st May 2014 has, according to the recommendations / approval of Remuneration Committee, approved the aforesaid resolution/s and accordingly, the same were recommended for approval by the Members of the Company, subject to approval of the Central Government.

The details of existing remuneration payable as minimum remuneration and waiver of excess remuneration paid during the financial year 2013-2014, subject to the approval of the Central Government, to the concerned managerial personnel of the Company, in the event of inadequacy of profits, are as follows :

Mr. Ravi Bhushan Bhardwaj (Vice-Chairman & Managing Director)

Basic Salary : INR 480,000/- (INR Four lacs eighty thousand) per month, with suitable annual increase as may be decided by the Committee/ Board from time to time.

Commission : @2% of Net Profits of the Company as computed in accordance with the provisions of the Act.

Perquisites : Rent free furnished accommodation with all facilities and amenities or fixed House rent allowance of INR 250,000/- (INR Two Lacs Fifty Thousand) per month, reimbursement of all medical expenses / medical allowance, subscription to two clubs, personal insurance, use of car with driver, telephone at residence, contributions to the provident fund, leave travel concessions, leave encashment, gratuity and other retirement benefits, reimbursement of business expenses, and all other benefits / allowances as per rules of the Company.

Explanation : For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.

Minimum Remuneration : In the event of loss or absence / inadequacy of profits in any financial year, Mr. Ravi Bhushan Bhardwaj will be paid the remuneration as above as minimum remuneration subject to the provisions of Schedule XIII of the Companies Act, 1956 and/or Schedule V to the Companies Act, 2013 (whichever is applicable) and/or subject to the approval of the Central Government, if necessary.

P. Raju



[Signature]

CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

Mr. Pranav Bhardwaj (Joint Managing Director)

Basic Salary : INR 420,000/- (INR Four lacs twenty thousand) per month, with suitable annual increase as may be decided by the Committee/ Board from time to time.

Commission : @2% of Net Profits of the Company as computed in accordance with the provisions of the Act.

Perquisites : Rent free furnished accommodation with all facilities and amenities or fixed House rent allowance of INR 200,000/- (INR Two Lacs) per month, reimbursement of all medical expenses / medical allowance, subscription to two clubs, personal insurance, use of car with driver, telephone at residence, contributions to the provident fund, superannuation and annuity fund, leave travel concessions, leave encashment, gratuity and other retirement benefits, reimbursement of business expenses, and all other benefits / allowances as per rules of the Company.

Explanation : For the purpose of calculation of perquisites, in absence of anything to the contrary, the rules of the Company governing the employment of the Company will be applicable.

Minimum Remuneration : In the event of loss or absence / inadequacy of profits in any financial year, Mr. Pranav Bhardwaj will be paid the remuneration as above as minimum remuneration subject to the provisions of Schedule XIII of the Companies Act, 1956 and / or Schedule V to the Companies Act, 2013 (whichever is applicable) and/or subject to the approval of the Central Government, if necessary.

Mr. Surendra Kumar Gupta (Whole-time Director, designated as Director & CEO)

Basic Salary : INR 260,000/- (INR Two lacs sixty thousand) per month, with suitable annual increase as may be decided by the Committee/ Board from time to time.

Perquisites and benefits : As per the Company rules as applicable from time to time.

Minimum Remuneration : In the event of loss or absence / inadequacy of profits in any financial year, Mr. Surendra Kumar Gupta will be paid the remuneration as above as minimum remuneration subject to the provisions of Schedule XIII of the Companies Act, 1956 and/or Schedule V to the Companies Act, 2013 (whichever is applicable) and/or subject to the approval of the Central Government, if necessary.

INFORMATION IN TERMS OF SCHEDULE XIII TO THE COMPANIES ACT, 1956**I. GENERAL INFORMATION**

1 Nature of Industry : The Company is having a 'state of the art' integrated Steel Plant to manufacture high quality Special Steel Rolled products with manufacturing facilities like Sponge Iron Plant, Mini Blast Furnace, Sinter Plant, Captive Power Plant and Blooming Mill

2 Date or expected date of commencement of commercial production : Existing Company, Incorporated on 12th September 1984 and commenced commercial operations in the year 1988.

3 In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Existing Company, Hence Not Applicable

4 Financial performance based on given indicators :

Amount in INR Lacs

Particulars	For the Financial Year		
	2013-2014	2012-2013	2011-2012
Net Sales / Income from	158,542	156,931	161,818

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CHAIRMAN'S INITIALS

HELD AT _____

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operations			
Other Income	548	782	528
Total Expenditure	143,841	145,085	149,782
Finance Costs	7,299	8,233	5,305
Depreciation	6,118	5,645	4,244
Tax Expenses	(336)	0	1,078
Net Profit / (Loss)	2,168	(1,250)	1,937

5 Foreign Investments or Collaborators, if any : NIL, Hence Not Applicable

II. INFORMATION ABOUT THE APPOINTEE

A. Mr. Ravi Bhushan Bhardwaj (Vice-Chairman & Managing Director)

1 Background details : Mr. Ravi Bhushan Bhardwaj (aged about 71 years) hails from a renowned family of industrialists and an industrial entrepreneur himself. He has over forty-nine (49) years of experience in various industries and particularly, Steel and Textile industry. He is associated with the Company since its inception and working as the Vice-Chairman & Managing Director since year 1998.

2 Past remuneration : Basic Salary of INR 480,000/- (INR Four lacs eighty thousand) per month plus Commission @2% of net profits and Perquisites as more specifically described in the explanatory statement.

3 Recognition or awards : Not Applicable

4 Job profile and his suitability : Subject to the superintendence, control and direction of the Board of Directors, Mr. Ravi Bhushan Bhardwaj is in overall in-charge of running the business affairs of the Company including finance, commercial, technical, legal, liaison with the Investors and Corporate Affairs of the Company. As a Vice-Chairman & Managing Director, he has successfully led the Company by his unstinted efforts and wide contributions which resulted into a turnaround overall performance. The Company has made tremendous growth under his leadership.

5 Remuneration proposed : Basic Salary of INR 480,000/- (INR Four lacs eighty thousand) per month plus Commission @2% of net profits and Perquisites as more specifically described in the explanatory statement.

6 Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin) : The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of business.

7 Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any : Mr. Ravi Bhushan Bhardwaj is a part of Promoter and Promoter Group, holding 700,000 equity shares constituting 0.43% of the paid-up capital of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company. Except Mr. P. B. Bhardwaj, Non-executive Chairman and Mr. Pranav Bhardwaj, Joint Managing Director, no other managerial personnel / director have any relationship with Mr. Ravi Bhushan Bhardwaj.

B. Mr. Pranav Bhardwaj (Joint Managing Director)

P. Bhardwaj



[Signature]

CHAIRMAN'S INITIALS

HELD AT _____

ON _____

TIME _____

1 Background details : Mr. Pranav Bhardwaj (aged about 40 years) hails from a renowned family of industrialists and an industrial entrepreneur himself. He is a dynamic new generation industrialist. He has graduated as B. Sc. majoring in Chemistry and Business Management (Joint Honors Degree) from the world renowned Imperial College of London. He has over nineteen (19) years of experience in Steel and Textile industry. He is associated with the Company since year 1995.

2 Past remuneration : Basic Salary of INR 420,000/- (INR Four lacs twenty thousand) per month plus Commission @2% of net profits and Perquisites as more specifically described in the explanatory statement.

3 Recognition or awards : (i) Vice-Chairman of Alloy Steel Producers of India (ASPA) since 2009; (ii) Managing Committee Member of The Associated Chamber of Commerce & Industry of India (ASSOCHEM) during the period 2009-2010.

4 Job profile and his suitability : Subject to the superintendence, control and direction of the Board of Directors, Mr. Pranav Bhardwaj is in overall in-charge of running the business affairs of the Company including production, planning and control, maintenance and service, quality control, purchase, marketing, customer satisfaction and human resource management. He is instrumental in product development and export sales. The Company has made tremendous growth under his leadership.

5 Remuneration proposed : Basic Salary of INR 420,000/- (INR Four Lacs Twenty Thousand) per month plus Commission @2% of net profits and Perquisites as more specifically described in the explanatory statement.

6 Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin) : The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of business.

7 Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any : Mr. Pranav Bhardwaj is a part of Promoter and Promoter Group, holding 912,140 equity shares constituting 0.56% of the paid-up capital of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company. Except Mr. P. B. Bhardwaj, Non-executive Chairman and Mr. Ravi Bhushan Bhardwaj, Vice-Chairman & Managing Director, no other managerial personnel / director have any relationship with Mr. Pranav Bhardwaj.

C. Mr. Surendra Kumar Gupta (Whole-time Director, designated as Director & CEO)

1 Background details : Mr. Surendra Kumar Gupta (aged about 66 years), qualified as B. E. (Mechanical) & holding Diploma in Business Management, working with the Company since Year 1992, having more than 36 years of overall experience in Steel and steel making industry. Earlier to Sunflag Steel, he was associated with Frontier Springs Limited, Coventry Springs Limited, Aravali Scooters and Instrumentation Limited and has held / handled various responsibilities and positions.

2 Past remuneration : Basic Salary of INR 260,000/- (INR Two Lacs Sixty Thousand) per month and Perquisites / benefits, as per the Company rules as applicable from time to time and more specifically described in the explanatory statement.

3 Recognition or awards : Not Applicable

4 Job profile and his suitability : Mr. Surendra Kumar Gupta is presently looking after and responsible for the overall operations of the Company's Steel Plant at Warthi, Bhandara Road in the state of Maharashtra and also various Mining activities of the Company. Mr. Surendra Kumar Gupta has the requisite qualification, experience and expertise suitable for the present position.





CHAIRMAN'S INITIALS

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5 Remuneration proposed : Basic Salary of INR 260,000/- (INR Two Lacs Sixty Thousand) per month and Perquisites / benefits, as per the Company rules as applicable from time to time and more specifically described in the explanatory statement.

6 Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin) : The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of business.

7 Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any : Mr. Surendra Kumar Gupta, holding 9,650 equity shares constituting 0.006% of the paid-up capital of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company. None of the managerial personnel / director have any relationship with Mr. Surendra Kumar Gupta.

III. OTHER INFORMATION

1 Reason for inadequate profits during financial year 2013-2014 : manufacture special steel rolled products and mainly catering to the Automobile industry. During the year 2013-2014, the automobile industry continued to remain sluggish owing to high interest rates and spiraling cost of fuel. This coupled with the general slowdown in domestic as well export market has resulted in squeeze of profit margin.

Further availability of major raw material viz. Iron ore, Coke and coal and increasing power and fuel cost has been our concern throughout the year. Also as a result of entry of large integrated players in the weak demand market has affected the performance of most of the small and medium sized steel units.

With a view to expand our market base, Sunflag has commissioned Blooming Mill to cater to heavy vehicle segment in Auto industry. The project was commissioned in April, 2012. But, new product development efforts have been marred by instability in long term supply contracts in view of cyclical demand. This has reduced risk bearing capacity of the Alloy steel manufacture in general. Sunflag is not an exception to this scenario.

Also, as a result of low demand, the Company could not operate the plant at its maximum capacity and servicing of interest and cost of depreciation has become burden on bottom line.

2 Steps taken or proposed to be taken for improvements : During the first quarter of the current year viz. 2014-2015 the Company has seen developments / improvements in Automobile market demand. Sunflag has posted profit before tax of INR 9.83 Crores during the first quarter of current year compared to INR 4.00 Crores in the corresponding quarter in 2013-2014. Further, Sunflag has initiated for installation of certain balancing equipment to improve quality to ensure more orders from OEMs of critical auto component, where the company can expect higher profit margin. The Company has already started getting more orders as compared to previous year from our customers.

3 Expected increase in productivity and profits in measurable terms : It is difficult at this stage to quantify the effect of the measures taken / being taken by the Company to improve the overall performance in financial terms – productivity and profits of the Company. The steel industry is cyclical and swift changes in demand-supply dis-equilibrium cause volatile changes. The Company's new projects will add new grades, wider product range, value additions, more competitive products and also venturing into the self dependency of raw material will help in achieving economy in the cost of production. As such, efforts will continue to be made to recover as much of the adverse impact from the market to the extent practicable.

IV. DISCLOSURES

1 The shareholders of the Company shall be informed of the remuneration package of the managerial person : More specific disclosures made in the explanatory statement as well as Corporate Governance Report, which form part of the Annual Report of the Company.

S. Prasad



[Signature]
CHAIRMAN'S INITIALS

HELD AT _____

ON _____

TIME _____

2 The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance", if any attached to the Annual Report :

- i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors
- ii. Details of fixed component and performance linked incentives along with the performance criteria
- iii. Service contracts, notice period, severance fees
- iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The requisite details / disclosures as required under the Companies Act, 1956, as well as Companies Act, 2013 (wherever applicable) and Listing Agreement are provided under the Corporate Governance Report, which form part of the Annual Report of the Company. The Company pays remuneration to its managerial personnel/s in the form of basic salary, commission @2% of net profits to Vice-Chairman & Managing Director and Joint Managing Director and perquisites as more specifically described in explanatory statement as well as Corporate Governance Report, which form part of the Annual Report of the Company. The Company neither pays any performance linked incentives, nor have any specific service contract, notice period and severance fees nor stock options have been granted to any of the directors / employees of the Company.

This explanatory statement may be treated as an abstract of terms of appointment / re-appointment including payment of remuneration between the Company and Mr. Ravi Bhushan Bhardwaj, Mr. Pranav Bhardwaj and Mr. Surendra Kumar Gupta, respectively pursuant to Section 302 of the Companies Act, 1956.

Mr. Ravi Bhushan Bhardwaj, Mr. Pranav Bhardwaj and Mr. Surendra Kumar Gupta (being the appointee and/or beneficiary) and Mr. P. B. Bhardwaj (being the relative), may be deemed to be concerned or interested in the aforesaid resolution/s. None of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution/s.

Item No. 12 & 13

Pursuant to Section 180 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the members in General Meeting, borrow moneys (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of paid-up Capital and the free Reserves of the Company, that is to say, reserves not set apart for any specific purpose.

In order to finance the capital expenditure for the Company's ongoing and upcoming projects, it is expected to borrow from Banks substantial sum or sums of moneys, the aggregate of which is expected to exceed the requisite limits.

In view of above, the approval of the members of the Company is being sought as Special Resolution under Section 180 of the Companies Act, 2013 to authorise the Board of Directors to borrow moneys to the extent of INR 1,000 Crores (INR One Thousand Crores) excluding temporary loans.

The aforesaid borrowings by the Company are required to be secured by creating legal / equitable mortgages / hypothecations / charges on all or part of the undertakings including movables and immovable properties of the Company and assets of all kinds, both present and future, in favour of the various Bank/s etc as set out in the said Resolution.

It is, therefore, necessary for the members to pass the Special Resolution under Section 180 of the Companies Act, 2013 before creation of any such mortgage, hypothecation or charge on the properties of the Company, and for that purpose, to authorise the Board of Directors of the Company.

P. Bhardwaj



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CHAIRMAN'S INITIALS

HELD AT _____

ON _____

TIME _____

Save as above, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolutions. The Board of Directors of the Company recommends the acceptance of the aforesaid Special Resolutions by the members in the interest of the Company.

Item No. 14

On recommendations of the Audit Committee, the Board of Directors of the Company at its meeting held on 21st May 2014 appointed M/s G R Paliwal & Company, Cost Accountant, Nagpur as the Cost Auditors of the Company for the financial year 2014 - 2015 to audit cost records of the Company at a remuneration of INR 150,000 (INR One Lac Fifty Thousand Only) plus service tax as applicable and reimbursement of actual out of pocket expenses.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration as recommended by the Board of Directors, is required to be subsequently fixed by the shareholders / members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors of the Company recommends the resolution for ratification of the members in the interest of the Company.

Item No. 15

The Company has executed Share Subscription Agreement with Daido Steel Co. Ltd., Japan (Daido) for issue and allotment of 1,80,21,945 equity shares on preferential basis, which is ten percent (10%) of post issue share capital of the Company. The share holding of Daido shall be maintained as minimum ten percent (10%) of post issue share capital of the Company at any point of time.

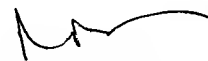
Since, the existing provisions 12(2) of Articles of Association does not permit this condition, the Company needs to amend the provisions of Article 12(2) of the Articles of Association in pursuance to the Companies Act, 2013.

Accordingly, the Board of Directors have recommended to the members for their approval, the amendment to the Articles of Association of the Company by inserting a clause for pre-emption right in favour of Daido.

Pursuant to the provisions of the Companies Act, 2013, an amendment to Articles of Association of the Company requires the approval of the members by way of special resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors of the Company recommends the acceptance of the aforesaid special resolution by the members in the interest of the Company.

All documents referred to in the Notice including Explanatory Statement thereof, will be available for inspection by Members during working hours on any working day till the date of the Extraordinary General Meeting at the Registered Office of the Company and also at the place of the Meeting at the scheduled time of Extraordinary General Meeting.



RAVI BHUSHAN BHARDWAJ
Vice - Chairman & Managing Director



CHAIRMAN'S INITIALS