



BHUSHAN STEEL LIMITED

Regd. Office : F-Block, 1st Floor, International Trade Tower,
Nehru Place, New Delhi-110019

NOTICE OF POSTAL BALLOT

Dear Member(s),

NOTICE PURSUANT TO SECTION 192A (2) OF THE COMPANIES ACT, 1956.

NOTICE is hereby given pursuant to Section 192A (2) of the Companies Act, 1956, read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011 that the enclosed resolution for the purpose of Further Issue of Securities is proposed to be passed as a Special Resolution by way of Postal Ballot.

The Company is desirous of seeking your consent for such proposal as contained in the resolution appended below. An explanatory statement pertaining to the said Resolution setting out the material facts and the reasons therefor is annexed. The said Special Resolution and the explanatory statement are being sent to you along with a Postal Ballot Form (The "Form") for your consideration. The Company has appointed Mr. R.S. Bhatia, a Practicing Company Secretary, 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 Form and return the same duly completed, in the attached self addressed Business reply envelope (postage will be born and paid by the Company) so as to reach scrutinizer on or before the close of the working hours, i.e. 5.00 P.M. on 06.07.2012. On completion of scrutiny of the Forms, the scrutinizer will submit his report to the Chairman of the Company. The Results of the Postal Ballot will be announced by the Chairman of the Company Sh. B.B. Singal or in his absence, by Sh. Neeraj Singal, Vice Chairman and Managing Director or in his absence, by Sh. Nittin Johari, Whole-time Director on 10.07.2012, at 11.00 A.M. at the Registered Office of the Company.

The members are requested to consider the following resolution:

SPECIAL BUSINESS:

ITEM NO. : 1

To consider and, if thought fit, to give assent or dissent to the following resolution as a Special Resolution:

FURTHER ISSUE OF SECURITIES:

"RESOLVED AS A SPECIAL RESOLUTION that pursuant to the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, Listing Agreement and all other applicable laws and regulations including the Foreign Exchange Management Act, 2000 (FEMA), Foreign Exchange Management (Transfer or issue of securities by a person resident outside India) Regulations, 2000 and issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme 1993, and such other statutes, notifications, clarifications, circulars, rules, regulations/guidelines, if any, prescribed by the Government of India (the GOI), the Securities and Exchange Board of India (SEBI) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Reserve Bank of India (RBI), Stock Exchanges or any other relevant authority, as amended from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as might be required and subject to such conditions as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee (s) constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution) to create, issue, offer and allot, (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), in the course of one or more public or right issue or private offerings in domestic and/or one or more international market (s), with or without a green shoe option, Equity Shares and/or Preference Shares and/ Equity Shares through depository receipts including American Depository Receipt (ADRs), Global Depository Receipt (GDRs) and/or Convertible Bonds fully or partly paid up, Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs) and/or other securities convertible into Equity Shares at the option of the Company and/or holder (s) of such securities, and/or securities linked to Equity Shares and/or securities with or without detachable / non-detachable warrants with a right exercisable by the warrant holder to subscribe for the Equity Shares and/or warrants with an option exercisable by the warrant-holder to subscribe for Ordinary Shares and/or any instruments or securities representing either Equity Shares, secured premium notes and/or any other financial instruments which would be converted into / exchanged with equity shares at a later date (hereinafter referred to as the "Securities") as the Board at its sole discretion or in consultation with underwriters, merchant bankers, financial advisors or legal advisors may at any time decide, by way of one or more public or private offerings in domestic and/or one or more international market(s), with or without a Green Shoe Option, or private placement or issued / allotted through Qualified Institutions Placement in accordance with the norms for "Qualified Institutions Placement" prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (hereinafter referred to as ICDR Regulations) or by any one or more or a combination of the model / method as mentioned in this resolution or any other way as may be allowed under the laws of the land or otherwise and at such time / times in one or more tranches, whether Rupee denominated or denominated in foreign currency, to any eligible investors (whether residents and/or non-resident and/or Qualified Institutional Buyers including institutions / banks and/or incorporated bodies, Foreign Institutional Investors (FIIs) and/or individuals and/or trustees and/or stabilizing agents and/or any other categories of investors and whether or not such investors are members of the Company through prospectus and/or letter of offer and/or placement documents and/or circulars at such price or prices in accordance with the guidelines / regulations issued by the appropriate authority, at discount /premium to the market price in such manner and on such terms and

conditions as the Board may in its absolute discretion, decide at the time of issue of Securities; provided that the total amount raised through the issuance of such Securities does not exceed US\$ 1000,000,000 (US\$ One Thousand Million) or its equivalent in one or more currencies, including premium if any."

"RESOLVED FURTHER THAT the Securities to be created, issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the equity shares allotted in terms of this resolution shall rank pari passu in all respect with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT in case of QIP pursuant to Chapter VIII of the ICDR Regulations, the allotment of Securities shall only be made to Qualified Institutional Buyers within the meaning of Chapter VIII of the ICDR Regulations and such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this Resolution.

"RESOLVED FURTHER THAT the "Relevant date" for pricing of the Securities, under the QIP as per provisions of ICDR Regulations as amended, for determination of minimum price for the issue of the Securities and/or shares arising out of conversion of Securities will be the date of meeting in which the Board decides to open the proposed issue of Securities, or, in case of Securities which are convertible or exchangeable with equity shares, the date on which the holder of Securities becomes entitled to apply for equity shares, as the Board may, at the time of decision to open the proposed issue decides.

"RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Ordinary Shares or Securities or instruments representing the same, as described above, the Board/ Committee be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, to enter into arrangements for appointment of agencies for managing, underwriting, marketing, listing and trading of Securities issued, such as merchant bankers, lead managers, advisors, depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee and to issue any offer document (s), including but not limited to a prospectus or placement document within the meaning of the laws of India, to approve the final form of and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue (s) or allotment (s) as it may, in its absolute discretion, deem fit."

"RESOLVED FURTHER THAT, subject to applicable law, the Board/ Committee be and is hereby authorized to delegate all or any of the powers herein conferred, to any one or more Directors of the Company with power to delegate to any Officers of the Company to give effect to this resolution."

**By Order of the Board
For Bhushan Steel Limited**

O.P. Davra

**Vice President (Corporate Affairs) &
Company Secretary**

Place: New Delhi

Date : 12.05.2012

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO. 1

Pursuant to the provisions of Section 81(1A) of the Companies Act, 1956, as amended, any offer or issue of securities in the Company to persons other than the Members of the Company requires prior approval of the Members by way of Special Resolution. The Listing Agreement executed by the Company with the Stock Exchanges also provide that the Company shall, in the first instance, offer all securities for subscription pro rata to the Shareholders, unless the Shareholders in a general meeting decide otherwise.

In order to meet the fund requirements of the Company for expansion of business, capital expenditure, working capital requirements, repayment of debts and for general corporate objectives it is proposed to raise financial resources through the issue of Securities in the Domestic/International markets for an amount not exceeding US\$ 1000,000,000 (US\$ One Thousand Million), or its equivalent in one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price or prices and at such time as may be considered appropriate by the Board, to the various categories of investors in the domestic/international markets, as set out in the Resolution at Item No. 1 of the Notice. This is an enabling resolution and the company will issue new securities subject to the necessary compliances.

The detailed terms and conditions of the issue as and when made, will be determined / finalized by the Board of Directors in consultation with the Legal Advisors, Merchant Bankers, Lead Managers, Underwriters and other experts in accordance with the applicable provisions of Law.

Your Directors recommended the resolution set out at Item no. 1 of the Notice for the approval of the Members pursuant to the provisions of Section 81(1A) of the Act.

None of the Directors of the Company is in any way, concerned or interested in the Resolution.

**By Order of the Board
For Bhushan Steel Limited**

O.P. Davra

**Vice President (Corporate Affairs) &
Company Secretary**

Place: New Delhi

Date : 12.05.2012

INSTRUCTIONS

1. A member desiring to exercise his vote by Postal Ballot should complete this postal ballot form and send it to the Scrutinizer in the attached self-addressed Business reply envelope (postage will be born and paid by the Company). Envelope containing Postal Ballot, if deposited in person or sent by courier at the expense of the shareholder will also be accepted.
2. The Company has appointed Mr. R. S. Bhatia, Company Secretary in Practice as Scrutinizer for conducting the Postal Ballot Process.
3. The self-addressed envelope bears the address of the Scrutinizer appointed through Resolution of Board of Directors of the Company.
4. The Notice is being sent to all the shareholders whose name appears in the Register of Members/ List of beneficiaries as on 11.05.2012
5. This Postal Ballot Form should be completed and signed by the Shareholders. In the case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company/ Depository Participant) by the first named shareholder and in his absence, by the next named shareholder (s). Unsigned Postal Ballot Form will be rejected.
6. Where the postal Ballot Form has been signed by an authorised representative of a body corporate, a certified copy of the relevant authorisation to vote on the Postal Ballot should accompany the Postal Ballot Form. A member may sign the form through an attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the Postal Ballot Form.
7. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours on 06th day of July 2012. Any Postal Ballot Form received after this date will be treated as if the reply from the Shareholder has not been received.
8. A Shareholder may request for a duplicate Postal Ballot Form, 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. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed Business reply envelope. All such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelopes would be destroyed by the Scrutinizer.
10. The date of declaration of the result of Postal Ballot resolution will be taken to be the date of passing of the resolution.
11. The Chairman of the Company Sh. B.B. Singal or in his absence, by Sh. Neeraj Singal, Vice Chairman and Managing Director or in his absence, by Sh. Nittin Johari, Whole-time Director shall announce the result of the Postal Ballot Resolution at the Registered Office of the Company on 10th day of July 2012 at 11.00 A.M.

(Signature of the Shareholder)

Note: Please read carefully the instructions printed over the ballot paper and fill in the details accordingly.



BHUSHAN STEEL LIMITED

Regd. Office : F-Block, 1st Floor, International Trade Tower
Nehru Place, New Delhi-110019

POSTAL BALLOT FORM

1. Name(s) of Shareholder(s)
(in block letters) including joint
holders (if any)

2. Registered Address of the
Sole/ First named Shareholder

3. Registered Folio No.

4. DP ID No. & Client ID No.

5. Number of Shares held

I/We hereby exercise my / our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company dated 12th day of May, 2012 by conveying my / our assent or dissent to the said Resolution by placing the tick (✓) mark in the appropriate box (es) below.

Sl. No.	Description	Number of Shares	I/ We assent to the Resolution FOR	I/ We dissent to the Resolution AGAINST
1	Further Issue of Securities			

Place :

Date :

(Signatures of the Shareholder)

Note : Please read carefully the instructions printed overleaf before exercising the Vote.