

VISA STEEL

VISA STEEL LIMITED

Regd. Office: VISA House, 11, Ekamra Kanan, Nayapalli, Bhubaneswar - 751 015

Notice pursuant to Section 192A of the Companies Act, 1956

Dear Member(s),

Notice is hereby given, pursuant to Section 192A of the Companies Act, 1956, ("Companies Act") read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, as amended from time to time, that the following resolutions are proposed to the shareholders of VISA Steel Limited (hereinafter referred to as "the Company") to be passed by way of Postal Ballot.

1. Sell / transfer of the Company's Coke Undertaking i.e., business of manufacturing and sale of Metallurgical Coke and Associated Steam Generation Units located at Kalinganagar, Odisha ("Undertaking") on a Going Concern basis on a slump sale to VISA Coke Limited ("VCL"), under Section 293(1)(a) of the Companies Act.
2. make any loan, investments or give guarantee or provide any security in excess of the specified limits of
 - (i) Sixty percent of the aggregate of the paid up capital and free reserves or,
 - (ii) One hundred percent of its free reserves, whichever is more.

Accordingly, your Company is desirous of seeking your consent for such proposal as contained in the resolutions appended below. An explanatory statement pertaining to the resolutions setting out the material facts and reason thereof is also annexed. As the consent of the Members is required for the proposed resolutions by means of Postal Ballot, it is being sent to you along with the Explanatory Statement for consideration. Mr. Debendra Raut of M/s. D. Raut & Associates, Practising Company Secretary has been appointed as the Scrutinizer for conducting Postal Ballot process in a fair and transparent manner. You are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed, in the enclosed Prepaid Self Addressed Business Reply Envelope so as to reach the Scrutinizer not later than the close of working hours on 29 December 2012. The Scrutinizer will submit his report to the Chairman of the Company or in his absence to any other Director authorised by him, upon completion of scrutiny of Postal Ballots, the results of the Postal Ballot will be announced on Monday, 7 January 2013 at 4.00 p.m. at the Company's Registered Office and will also be displayed on the Notice Board at the said address & on the website of the Company www.visasteel.com. The Resolutions, if approved, will be taken as effectively passed on the date of declaration of results.

The Company also offers e-Voting facility as an alternate, for all its members to enable them to cast their vote electronically.

1. To consider and if thought fit, to pass with or without modification(s), the following resolutions as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 192A, 293(1)(a) of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956, Memorandum and Articles of Association of the Company and subject to other approvals and permissions as may be required for the purpose, consent of the Company be and is hereby accorded, including confirmation of actions taken hitherto, to the Board of Directors of the Company (the "Board", which term shall be deemed to include any duly constituted committee thereof) to sell, assign, transfer, convey and deliver the Company's Coke Undertaking i.e., business of manufacturing and sale of Metallurgical Coke and the Associated Steam Generation Units located at Kalinganagar Industrial Complex, Odisha with related assets and liabilities of the undertaking, as identified on a going concern basis on a slump sale (as defined in Section 2(42C) of the Income Tax Act, 1961) to VISA Coke Limited for a lumpsum consideration equal to its book value subject to requisite approvals as may be required from the lenders and Corporate Debt Restructuring Cell and other authorities, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary, to execute, deliver and perform such agreements, contracts, deeds and other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard, and deal with any matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director or any other Officer(s)/ Authorised Representative(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects."

2. To consider and if thought fit, to pass with or without modification(s), the following resolutions as a Special Resolution:-

"RESOLVED THAT in pursuance of the Section 192A, 292, 372A and other applicable provisions of the Companies Act, 1956, or any amendments or modifications thereof (including any ordinance or statutory modification, re-enactment thereof for the time being in force) and subject to the consent and approvals of and permissions as may be necessary under any statute for time being in force, or any other approvals as may be required from lenders and Corporate Debt Restructuring Cell, consent and approvals of the Members be and are hereby accorded to the Board of Directors of the Company to invest/acquire from time to time by way of subscription, purchase, conversion or otherwise Equity Shares, Preference Shares, Debentures (whether convertible or non convertible) or any other Financial Instruments of VISA Coke Limited, for an amount not exceeding Rs.180 Crores (Rupees One Hundred Eighty Crores), which is in excess of the limits specified in Section 372A of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company and/ or Committee of Directors constituted for this purpose be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investment to be made and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

By Order of the Board
For VISA Steel Limited

Place : Kolkata
Date : 18 October 2012

Subhra Giri
Company Secretary

Notes:

1. An explanatory statement pursuant to Section 173(2) and 192A of the Companies Act, 1956 setting out all the material facts concerning the aforesaid business and reasons thereof are annexed hereto.
2. Postal Ballot Form and the self-addressed postage pre-paid envelopes are enclosed for the use of Members.
3. Voting rights shall be reckoned on the paid up value of shares registered in the name of Member / Beneficial owner on the cut off date which is 2 November 2012.
4. A Member desiring to exercise vote by postal ballot is requested to carefully read the instructions printed on the reverse of the Postal Ballot Form, before exercising the vote and return the Form duly completed and signed in the attached pre-paid self addressed envelope so as to reach the Scrutinizer at the following address : Mr. Debendra Raut, Scrutinizer, C/o Karvy Computershare Private Limited, Unit: VISA Steel Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081 on or before the close of working hours on 29 December, 2012. The postal ballot forms received after this date will be treated as if the reply from the member has not been received.
5. All the documents relevant to the resolutions specified in the notice and mentioned in the explanatory statement are open for inspection by the shareholders of the Company at the registered office of your Company between 11.00 A.M. until 1.00 P.M. on all working days (i.e., except Saturdays, Sundays and public holidays) till the last date for receiving the postal ballot form.

Explanatory Statement pursuant to Section 173(2) and 192A of the Companies Act, 1956

Item No. 1

Your Company had been continuously evaluating various growth strategies regarding Coke, Ferro Chrome and Special Steel businesses of your Company and its subsidiaries. Consequently, your Company and its Board of Directors, after evaluating the feasibility of various options, has decided to recommend for your approval for the Company to sell, assign, transfer, convey and deliver business of manufacturing and sale of Metallurgical Coke and Associated Steam generation Units located at Kalinganagar Industrial Complex, Odisha ("Coke Undertaking") along with its related assets and liabilities, as identified, on a going concern basis on a slump sale (as defined in Section 2(42C) of the Income Tax Act, 1961) to VISA Coke Limited ("VCL") for a lumpsum consideration equal to its book value.

The transaction will be inter alia subject to the following conditions:

1. Prior approval of the Shareholders under Section 293(1)(a) and all other applicable provisions of the Companies Act, 1956.
2. The Company obtains the approval of its lenders, Capital Debt Restructuring – Empowered Group representing lenders for the sale and transfer as may be required.
3. The receipt by the Company of any regulatory approvals that may be necessary for the consummation of the Transaction from any Government.

The Board is of the opinion that the aforesaid Resolution is in the best interests of the Company and hence recommends the Ordinary Resolution for your approval. None of the directors of your Company are interested in the above resolution except to the extent of their shareholding / directorship, if any.

Item No. 2

As per the provisions of Section 372A of the Companies Act, 1956, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security in excess of the specified limits of –

- (i) Sixty percent of the aggregate of the paid-up share capital and free reserves, or
- (ii) One hundred percent of its free reserves, whichever is more,

if Special Resolution is passed by the Members of the Lending / Investing Company.

Since the amount mentioned in the resolution is in excess of above specified limits, approval of the members by means of Special resolution through Postal Ballot is required. This permission is sought pursuant to the provisions of Section 372A read with Section 192A and 292 of the Companies Act, 1956 to give powers to the Board of Directors for making investments in VISA Coke Limited.

The investment is proposed to be made out of own / surplus funds / internal accruals / borrowed funds, the objective of which is to achieve long term strategic and business objectives. The investments will be made on terms and conditions most beneficial to the Company pursuant to the provisions of Section 372A of the Companies Act, 1956. On proposed investment being made in VISA Coke Limited, it will be a direct / indirect subsidiary of your Company.

The Directors are satisfied that it would be in the interest of the Company and its Members and accordingly recommend the Special Resolution for your approval. None of the directors of your Company are interested in the above resolution except to the extent of their shareholding / directorship, if any.

By Order of the Board
For VISA Steel Limited

Place : Kolkata
Date : 18 October 2012

Subhra Giri
Company Secretary

Encl.: 1. Postal Ballot Form
2. Self addressed postage pre-paid envelope

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Regd. Office: VISA House, 11, Ekamra Kanan, Nayapalli, Bhubaneswar - 751 015

POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

Sr.No.

- 1) Name of the Shareholder(s) including Joint - holders if any (In Block Letters)
 - 2) Registered Address of the Sole/ First named Shareholder
 - 3) DP ID No./ Client ID No./ Registered Folio No.*
(*applicable to investors holding shares in physical form)
 - 5) No. of Shares held
 - 6) I / We hereby exercise my / our vote in respect of the resolution to be passed through postal ballot for the business stated in the Notice of the Company by sending my / our assent or dissent to the said resolution by placing (✓) mark in the appropriate box below:

Resolution No.	Description	No. of Shares	I/We assent to the resolution	I/We dissent to the resolution
1	<u>Ordinary Resolution</u> Under Section 293(1)(a) of the Companies Act, 1956 for sell / transfer of the Company's business of manufacturing and sale of metallurgical coke and associated steam generation units located at Kalinganagar, Odisha ('Coke Undertaking') on a Going Concern basis on slump sale for lumpsum consideration			
2	<u>Special Resolution</u> Under Section 372A of the Companies Act, 1956 to authorise the Board of Directors of the Company to make investment in VISA Coke Limited, in excess of the limits specified in the said Act.			

Place : _____
 Date : _____

ELECTRONIC VOTING PARTICULARS

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INSTRUCTIONS

e-Voting

1. **The Company also offers e-Voting facility. Please see the instructions below for details.**

In compliance with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the Company also offers e-voting option to all the shareholders. For this purpose, the Company will be making necessary arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting and is pleased to offer e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

2. Shareholders have option to vote either through e-voting or through Ballot Form. Shareholders irrespective of who have registered their e-mails for receipt of documents in electronic mode under the Green Initiative and who wish to vote through Ballot Form can download Ballot Form from the link www.evoting.nsdl.com or seek duplicate form from R & T Agent, M/s. Karvy Computershare Private Limited, Unit: VISA Steel Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081, fill in the details and send the same to the Scrutinizer by Post.
3. The instructions for shareholders for voting Electronically, are as under:

A . In case of shareholders receiving e-mail from NSDL

- (i) Open e-mail and open PDF file viz. "VSL e-Voting.pdf" with your Client ID or Folio No. as password containing 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://www.evoting.nsdl.com>**.
- (iii) Click on "Shareholder" - "Login".
- (iv) Put user ID and password as initial password noted in step (a) 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 Voting Cycles.
- (vii) Select "EVEN" of VISA Steel Limited for casting your vote in favour or against the resolution. Kindly note that vote once casted cannot be modified. For an EVEN, you can log-in any number of times on e-Voting platform of NSDL till you have voted on all the resolutions or till the end date of voting period i.e. 29 December 2012, whichever is earlier.
- (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 "Confirm" when prompted.
- (x) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail csdraut@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case of shareholders other than in (A) above

- (i) Initial password is provided at the bottom of the Postal ballot form. Please follow all steps from Sr.No.(ii) to Sr.No.(x) above, to cast vote.
4. **The voting period ends on the close of day of 29.12.2012. The e-voting module will be disabled for voting thereafter by NSDL.**
 5. If you are already registered with NSDL for e-Voting then you can use your existing User ID and password for casting your vote.
 6. If you wish to give your suggestions in context of e-Voting, you can send e-mail to evoting@nsdl.co.in / investors@visasteel.com.
 7. You can update your mobile number and email ID in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-Voting system in future.
 8. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the "downloads" section of www.evoting.nsdl.com or call on (022) 2499 4433.

Physical Voting

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed Self Addressed Business Reply Envelope. Postage will be borne and paid by the Company. Envelopes containing Postal Ballots, if sent by courier, at the expense of the Registered Member will also be accepted.
2. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company / Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member.
3. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/Authority.
4. The consent must be accorded by recording the assent in the Column 'FOR' and dissent in the Column 'AGAINST' by placing a tick (✓) mark should be placed in the relevant box signifying assent/dissent for the resolution in the appropriate column.
5. Incomplete, unsigned or incorrectly filled postal ballot forms will be subject to rejection by the Scrutinizer.
6. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours on 29 December 2012. All Postal Ballot Forms received after this date will be treated as if reply from such Member has not been received.
7. A Member 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 No. 6 above.
8. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the members as on Friday, 2 November 2012.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed postage prepaid self-addressed envelope.
10. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.