

NOTICE

To,

The Members,

NOTICE is hereby given that the Extra Ordinary General Meeting of RMG Alloy Steel Limited will be held at the Registered Office, Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, in the State of Gujarat on Wednesday, January 24, 2018, at 12.30 pm to transact the following business:

SPECIAL BUSINESS

1. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and all other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder as may be amended from time to time and the Articles of Association of the Company, and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable, the approval of the members be and is hereby granted to the Board of Directors of the Company to increase the authorized share capital of the Company from the existing Rs.155,00,00,000/- (Rupees One Hundred Fifty Five Crore Only) divided into 11,00,00,000 (Eleven Crore) Equity Shares of Rs.6/- (Rupees Six Only) each and 8,90,00,000 (Eight Crore Ninety Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each to Rs.550,00,00,000/- (Rupees Five Hundred Fifty Crore Only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of Rs.6/- (Rupees Six Only) each and 25,00,00,000 (Twenty Five Crore) Preference Shares of Rs.10/- (Rupees Ten Only) each."

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Act, the existing Clause V of Memorandum of Association of the Company is hereby repealed and replaced with the following Clause V:

"V. The Authorised Share Capital of the Company is Rs.550,00,00,000/- (Rupees Five Hundred Fifty Crore Only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of Rs.6/- (Rupees Six Only) each and 25,00,00,000 (Twenty Five Crore) Preference Shares of Rs.10/- (Rupees Ten Only) each with power to the Board of Directors to classify into any class of shares, with power to increase or reduce the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being."

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

2. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the applicable provisions of Sections 42, 62 and other applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder (including any statutory modification or reenactment thereof for the time being in force), the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Reserve Bank of India (RBI) Circular No. DBR.BP.BC. No.101/21.04.132/ 2014-15 dated 8th June 2015 and other applicable RBI Circulars ("RBI Circular/s"), applicable rules, regulations, notifications, amendments issued by Government of India, RBI and any other regulatory or other appropriate authorities and subject to such condition(s) as may be prescribed by one or more of them while granting any such approval(s), consent(s), permission(s) and/or sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "Board", which term shall be deemed to include any Committee which the Board has constituted or may constitute to exercise its powers including the powers conferred under this resolution or any person duly authorised by the Board in this behalf) and enabling provisions of the Memorandum and Articles of Association of the Company and pursuant to the invocation of Strategic Debt Restructuring (SDR) by Joint Lenders Forum (JLF) in terms of RBI Circular, consent, authority and approval of the Company be and is hereby accorded to the Board to issue and allot in one or more tranches 25,00,00,000 equity shares of face value of Rs.6/- each fully paid up as determined in accordance with RBI Circular to the following lender banks on preferential basis in such manner and on such other terms and conditions as may be mutually agreed between the Board and the JLF against a part of the outstanding amount of debt of Rs.150,00,00,000/- (Rupees One Hundred Fifty Crore only) payable to such lender banks by the Company, enabling lender banks collectively to hold minimum 51% of the total equity share capital of the Company.

Bank/Financial Institution/ Lender	Approximate Number of Shares to be allotted
Bank of Baroda	103,014,018
Andhra Bank	69,278,411
Corporation Bank	30,033,772
Lakshmi Vilas Bank	29,565,134
Federal Bank	18,108,665
Total	250,000,000

RESOLVED FURTHER THAT the Reference Date / Relevant Date in relation to pricing of the aforesaid issue of Equity Shares, in accordance with the RBI Circular and SEBI ICDR Regulations be October 24, 2017, being the date when the JLF accorded its “In principle” approval to invoke SDR.

RESOLVED FURTHER THAT the new Equity Shares arising out of the proposed issue shall rank pari-passu in all respects with the existing Equity Shares of the Company and shall be listed on the Stock Exchanges where the existing Equity Shares of the Company are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take such steps as may be necessary and to do all such acts, deeds and things as may be necessary, proper, or expedient to give effect to this resolution including to modify, accept and give effect to any modifications in the terms and conditions of the matter(s) as may be required by the statutory, regulatory and other appropriate authorities (including but not limited to SEBI, RBI, JLF, etc.) and such approvals and as may be agreed by the Board in its absolute discretion without being required to seek any further consent or approval of the members or otherwise with the intent that the members shall be deemed to have given their approval thereto expressly by authority of this resolution.”

3. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of Sections 42, 62 and other applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder (including any statutory modification or reenactment thereof for the time being in force), the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other regulatory or other appropriate authorities and subject to such condition(s) as may be prescribed by one or more of them while granting any such approval(s), consent(s), permission(s) and/ or sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall be deemed to include any Committee which the Board has constituted or may constitute to exercise its powers including the powers conferred under this resolution or any person duly authorised by the Board in this behalf) and enabling provisions of the Memorandum and Articles of Association of the Company, the approval of the members be and is hereby granted to the Board of Directors of the Company to issue and allot upto 13,17,60,238 Equity shares of Rs.6/- each at par aggregating to Rs.79,05,61,428/- (Rupees Seventy Nine Crore Five Lakh Sixty One Thousand Four Hundred Twenty Eight Only) in one or more tranches to Welspun Steel Limited, the Strategic Investor, ranking pari passu with the existing equity shares.

RESOLVED FURTHER THAT the Relevant Date in relation to pricing of the aforesaid issue of Equity Shares, in accordance with SEBI ICDR Regulations be December 22, 2017.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any other Directors/Committees of Board or executives/ Officers of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary be and are hereby authorized to do all such acts, deeds, things and matters and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 42, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification or reenactment thereof for the time being in force) and such other regulations as may be applicable in view of the nature of the transaction concerned, provisions in the Memorandum of Association and Articles of Association of the Company, the consent, approval and sanction of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “Board”, which term shall include any committee constituted by the Board) to issue and allot upto 8,60,00,000 1% Optionally Convertible Debentures of Rs.10/- each aggregating to Rs.86,00,00,000/- (Rupees Eighty Six Crore Only) (“OCD”) in one or more tranches to Welspun Steel Limited, the Strategic Investor, on the terms as prescribed hereunder:

- (a) Each OCD shall be convertible into one 8% Redeemable Cumulative Preference Share of Rs.10/- each (“Preference Shares”) at any time within five months from the date of issue at the option of the OCD holder.
- (b) If the OCDs are not converted into Preference Shares, it shall be redeemable at par at the end of nineteenth year from the date of issue or at any time before, at the option of the OCD holder.
- (c) The Preference Shares shall be non-participating, non-voting, cumulative and redeemable at par at any time after six months from the date of conversion at the option of the holder and if not redeemed in such manner, it shall be redeemed at the end of nineteenth year from the date of Conversion.”

By Order of the Board

Sd/-
Nilesh Javker
Company Secretary
ACS-24087

Place: Mumbai
Date: December 19, 2017

NOTES:

1. **A member entitled to attend and vote at the Extra Ordinary General Meeting (EOGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
5. The proxy-holder shall prove his identity at the time of attending the meeting.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
7. A proxy form which does not state the name of the proxy shall not be considered valid. Undated proxy shall not be considered valid and if the Company receives multiple proxies for the same holdings of a member, the proxy which is dated last shall be considered valid. If they are not dated or bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.
8. When a member appoints a proxy and both the member and proxy attend the Meeting, the proxy stands automatically revoked.
9. A statement pursuant to Section 102 (1) of the Companies Act, 2013 (the Act), relating to the Special Business to be transacted at the meeting is annexed hereto.
10. Members are requested to bring their attendance slip along with copy of the Notice to the Meeting.
11. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote.
12. The record date for the purpose of EOGM will be Wednesday, January 17, 2018.
13. All correspondence pertaining to Equity Shares should be forwarded to the Company's Registrar and Transfer Agent M/s. Bigshare Services Pvt. Ltd., Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059, Contact person: Mr. K. S. L. Upadhyay (General Manager) / Ms. Ujata Pokharkar (Client Executive) Tel: 91-22-6263 8200, Fax: 91-22-6263 8261, Email: investor@bigshareonline.com, and are also requested to immediately inform their change of address, change of e-mail address or consolidation of folios, if any, to the Company's said Registrar and Transfer Agent.
14. Members holding shares in dematerialized form are requested to intimate immediately any change pertaining to their bank details, Electronic Clearing Service (ECS) mandates, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, M/s. Bigshare Services Pvt. Ltd to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Bigshare Services Pvt. Ltd, Registrar and Transfer Agent.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants and members holding shares in physical form can submit their PAN details to the Company.
16. The Company will send Notice of EOGM in electronic mode to its Members who have registered their e-mail addresses for the purpose. Those shareholders who have not got their email address registered or wish to update a fresh email address may do so by submitting the attached E-mail Registration-Cum Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other document in electronic form at the said e-mail address.
17. The shareholders who wish to nominate, any person to whom his securities shall vest in the event of his death, may do so by submitting the attached Nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.
18. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Bigshare Services Pvt. Ltd, Registrar and Transfer Agent, for consolidation into a single folio.
19. The Notice for the Extra Ordinary General Meeting will be available for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of Extra Ordinary General Meeting. The Notice will also be available on the Company's website at: www.rmgalloysteel.com.
20. The businesses mentioned in this Notice may be transacted through electronic voting system, the process and manner and such other details are as under:
 - a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the Extra Ordinary General Meeting (EOGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). The e-voting facility is available at the link <https://www.evotingindia.com>
21. A member may participate in the General Meeting even after exercising his right to vote through e-voting but shall not be allowed to vote again at the General Meeting.

22. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting as well as voting at the General Meeting through ballot paper.
23. M/s Mihen Halani and Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the voting by way of ballot and e-voting process in a fair and transparent manner.
24. The Chairman shall, at the General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the General Meeting but have not cast their votes by availing the e-voting facility.
25. The Scrutinizer, after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.rmgalloysteel.com, notice board of the Company at the registered office as well as the corporate office and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd, at which the shares of the Company are listed.

Please read the instructions for e-voting before exercising the vote.

These details and instructions form integral part of the Notice for the Extra Ordinary General Meeting to be held on Wednesday, January 24, 2018.

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions below to cast their vote through e-voting:

- (i) The voting period begins on Sunday, January 21, 2018 at 9:00 am and ends on Tuesday, January 23, 2018 at 5:00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, January 17, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for RMG Alloy Steel Limited (**171219004**) on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on Sunday, January 21, 2018 at 9:00 am and ends on Tuesday, January 23, 2018 at 5:00 pm.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, January 17, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board

Sd/-
Nilesh Javker
Company Secretary
ACS-24087

Place: Mumbai
Date: December 19, 2017

Registered Office of the Company:

Plot No.1, G.I.D.C Industrial Estate, Valia Road,
Jhagadia, Dist. Bharuch, Gujarat - 393110
Corporate Identity Number: L27100GJ1980PLC020358
E-mail: allcompanysecretaryofrmgl@welspun.com
Website: www.rmgalloysteel.com

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

RESOLUTION NOS. 1, 2, 3 & 4

Joint Lenders Forum (JLF), pursuant to RBI circular No. DBR.BP.BC.NO.101/21.04.132/2014-15 dated 8th June, 2015 and other applicable RBI Circulars (“RBI Circular/s”) in their meeting held on October 24, 2017, accorded its “In Principle” approval to invoke SDR. In terms of the said RBI Circular, October 24, 2017 is the “Reference Date”, being the date when the JLF accorded its “In principle” approval to invoke SDR. Further, the JLF in its meeting held on October 24, 2017 formed an opinion to convert a part of the loan and interest outstanding to the extent of Rs.150 Crore into 25,00,00,000 equity shares of Rs.6/- each in the Company, to enable lender banks to collectively hold minimum 51% or more of the equity share capital of the Company.

In order to bridge the gap of approx. Rs.79 Crores in the paid up equity share capital of the Company post the above mentioned conversion, Welspun Steel Limited, the strategic investor (the “Strategic Investor”) holding 39.88% of the present equity share capital of the Company has, subject to requisite approvals, agreed to subscribe upto 13,17,60,238 Equity shares of Rs.6/- each aggregating to Rs.79,05,61,428/- (Rupees Seventy Nine Crore Five Lakh Sixty One Thousand Four Hundred Twenty Eight Only) and upto 8,60,00,000 1% Optionally Convertible Debentures of Rs.10/- each aggregating to Rs.86,00,00,000/- (Rupees Eighty Six Crore Only) (“OCD”) in one or more tranches (“Fresh Infusion”).

The Fresh Infusion will be utilised for prepayment of a part of the loan and interest and towards capex required for improvising and debottlenecking to facilitate the revival of the Company and for general corporate purpose.

To enable the conversion of a part of the debt into equity pursuant to SDR, Fresh Infusion and to enable future infusion of the funds, it is proposed to increase the authorized share capital of the Company from the existing Rs.155,00,00,000/- (Rupees One Hundred Fifty Five Crore Only) divided into 11,00,00,000 (Eleven Crore) Equity Shares of Rs.6/- (Rupees Six Only) each and 8,90,00,000 (Eight Crore Ninety Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each to Rs.550,00,00,000/- (Rupees Five Hundred Fifty Crore Only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of Rs.6/- (Rupees Six Only) each and 25,00,00,000 (Twenty Five Crore) Preference Shares of Rs.10/- (Rupees Ten Only) each. And therefore alteration of Clause V of Memorandum of Association is contemplated under Resolution No.1 of this notice.

In terms of RBI Circular and pursuant to the provisions of Sections 62 and 42 of the Act read with Rules made thereunder, conversion of debt into equity pursuant to SDR Package and the Fresh Infusion of funds needs to be approved by the shareholders which is proposed by way of Resolution No.2 to 4 of this notice.

In terms of SEBI (Substantial Acquisition of Shares and Take Over) Regulations, 2011, acquisition of equity shares upto minimum 51% of the paid up capital of the Company by JLF pursuant to conversion of their debt into equity shares as part of the SDR Scheme in accordance with guidelines specified by RBI will be exempted from the obligation of making Open Offer. Hence, JLF is not required to make Open Offer consequent upon allotment of proposed issue and allotment of equity shares.

The Fresh Infusion by way of equity shares by the Strategic Investor being a non-public shareholder, will be exempt under explanation (ii) of Regulation 3(2) of SEBI (Substantial Acquisition of Shares and Take Over) Regulations, 2011 as the post-allotment percentage voting rights shall be lower than the pre-allotment voting rights of the non-public shareholders. The Company has received approval from SEBI vide its letter dated December 19, 2017 for increasing the public shareholding by the aforesaid conversion of lender banks’ debts into equity in terms of Clause 2(vii) of SEBI Circular CIR/CFD/CMD/14/2015 dated 30.11.2015.

In terms of the requirement of Section 102 of the Companies Act, 2013 (“Act”) read with Rule 13(2) of the Companies (Share Capital & Debentures) Rules, 2014 and Chapter VII of the Securities Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”) the following disclosures are been made:

(1) OBJECT OF THE ISSUE

The purpose of the proposed issue and allotment of the equity shares is to convert a part of outstanding debt into equity shares of the Company pursuant to SDR package to be finally approved by JLF and for Fresh Infusion of further funds/ capex required for improvising and debottlenecking to facilitate the revival of the Company and for general corporate purpose.

(2) PROPOSAL OF THE PROMOTERS, DIRECTORS OR KEY MANAGERIAL PERSONNEL OF THE COMPANY TO SUBSCRIBE TO THE OFFER.

Except the Strategic Investor in the non-public shareholders, no promoter, directors or key managerial personnel have the intention to subscribe to the offer.

(3) PRE ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY

The shareholding pattern of the Company as on September 30, 2017 and excludes subsequent transfers and allotments :-

Category	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
Promoters’ holding (Indian)				
Individual	1,984	0	1,984	0.00%
Bodies Corporate	94,116,875	86.8	225,877,113	46.08%
Sub Total (A)	94,118,859	86.8	225,879,097	46.08%

Category	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
Non Promoters' Holding				
Institutions (Banks, etc.)	40,681	0.04	250,040,681	51.01%
Individual	11,122,411	10.26	11,122,411	2.27%
Bodies Corporate	1,770,734	1.63	1,770,734	0.36%
Others (including NRI)	1,383,155	1.27	1,383,155	0.28%
Sub Total (B)	14,316,981	13.2	264,316,981	53.92%
Total (A)+(B)	108,435,840	100	490,196,078	100

The post issue figures shown in the above table are arrived at considering:

- Issue and allotment of equity shares aggregating to 25,00,00,000 as may be mutually agreed between JLF and Board.
- Issue and allotment of equity shares aggregating to 13,17,60,238 to the Strategic Investor within non-public shareholders.
- The holdings of other shareholders do not change.
- The Fresh Infusion by way of OCDs will not have any impact on the voting rights of the equity shareholders.

(4) PROPOSED TIME WITHIN WHICH THE ALLOTMENT SHALL BE COMPLETED

- In case of preferential issue and allotment of shares on private placement pursuant to Resolution No.2 to lender banks is pursuant to SDR Package: the allotment of shares will be completed within twelve months from the date of the approval of the resolution by the shareholders of the Company as the requirement of completion of allotment within a period of 15 days from the date of passing the resolution as per SEBI ICDR is not applicable.
 - In case of preferential issue and allotment of shares on private placement basis pursuant to Resolution No.3 to the Strategic Investor: as per SEBI ICDR allotment will be completed within a period of 15 days from the date of passing the resolution.
 - In case of preferential issue and allotment of OCDs on private placement basis pursuant to Resolution No.4 to the Strategic Investor : the allotment will be completed within the period of 12 months from the date of passing the special resolution.
- (5) In respect of Resolution No. 3 of the Notice, the identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control, Welspun Steel Limited, the proposed allottee, and the percentage of the ultimate beneficial interest in the post issue capital of the Company that may be held by them, are as under:

Sr. No.	Name of the Ultimate Beneficial Owners	PAN No.	Ultimate Beneficial Interest (%)
1.	Mr. Balkrishan Goenka	AEOPG4891D	11.47
2.	Ms. Dipali Goenka	AEOPG4886L	9.76
3.	Jointly held by: Mr. Balkrishan Goenka, Ms. Dipali Goenka, Ms. Radhika Goenka Ms. Vanshika Goenka	AEOPG4891D AEOPG4886L ANEPG0498F ARAPG5036F	10.70
4.	Mr. Rajesh Mandawewala	AACPM2601D	1.32
5.	Ms. Pratima Mandawewala	AACPM0053B	0.66
6.	Mr. Abhishek Mandawewala	ALEPM1582E	0.22
7.	Mr. Yash Mandawewala	BENPM7877P	0.22
8.	Jointly held by: Mr. Rajesh Mandawewala Ms. Pratima Mandawewala Mr. Abhishek Mandawewala Mr. Yash Mandawewala	AACPM2601D AACPM0053B ALEPM1582E BENPM7877P	0.93
9.	Welspun Investment & Commercial Limited	AAACW8345B	0.41

There will be no change in control in the issuer consequent to the preferential issue under Resolution No.3.

- In case of Resolution No.3, the Company undertakes that it shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so and if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.
- The Company is not willful defaulter hence the disclosures as per Part G of Schedule VIII of SEBI ICDR Regulations are not applicable.
- A certificate from the statutory auditors of the Company certifying that the issue is being made in accordance with the requirements of these regulations will be placed before the Extra Ordinary General Meeting.

(9) TOTAL NUMBER OF SHARES TO BE ISSUED, CLASSES AND NAME OF THE PROPOSED ALLOTTEES AND THE PERCENTAGE OF POST PREFERENTIAL OFFER CAPITAL THAT MAY BE HELD BY THEM

Proposed Allottees	Approximate Number of Shares to be allotted	% of Approximate Post Preferential Issue Equity Capital
Bank of Baroda	103,014,018	21.01%
Andhra Bank	69,278,411	14.13%
Corporation Bank	30,033,772	6.13%
Lakshmi Vilas Bank	29,565,134	6.03%
Federal Bank	18,108,665	3.69%
Welspun Steel Limited	131,760,238	35.70%
Total	381,760,238	86.70%

Further upto 8,60,00,000 1% Optionally Convertible Debentures of Rs.10/- each aggregating to Rs.86,00,00,000/- (Rupees Eighty Six Crore Only) (“OCD”) will be issued and allotted to Welspun Steel Limited in one or more tranches.

(10) RELEVANT DATE AND PRICING OF EQUITY SHARE

- (i) Since the preferential allotment contemplated in Resolution No.2 is to be made as per the SDR and relevant guidelines issued by RBI, the relevant date for the purpose of calculating the price of the equity share to be issued will be the date on which JLF accorded “In principle” approval to invoke SDR i.e. October 24, 2017. As per SEBI ICDR Regulations, the conversion price shall be determined in accordance with the guidelines specified by RBI for SDR Package, which shall not be less than the face value of the equity share.

In terms of the RBI Circular, conversion of outstanding debt into equity instruments should be at a ‘Fair Value’ which will not exceed the lowest of the following, subject to the floor of ‘Face Value’:

- Market value : Average of the closing prices of the instrument on a recognized stock exchange during the ten trading days preceding the ‘reference date’:- Rs 8.27 per equity share (on BSE).
- Break-up value: Book value per share to be calculated from the company’s latest audited balance sheet (without considering ‘revaluation reserves’, if any) adjusted for cash flows and financials post the earlier restructuring:- Rs.(4.87) per equity share.
- DCF Method: the value per equity share as per DCF method is Rs.2.73 per share.

Since the floor price of the face value is more than the value computed above, the proposed issue and allotment of 25,00,00,000 equity shares will be at the face value of Rs.6/- each, being the Fair Value.

The regulation 70(5) of Chapter VII of SEBI ICDR Regulations shall not apply since the proposed preferential issue and allotment of equity shares to JLF is pursuant to conversion of debt as part of SDR Package and in compliance with the following conditions –

- Conversion price of the debt into equity share is at the face value of Rs.6/- per share.
 - Conversion price of the debt into equity shares has been certified by two independent qualified valuers as defined under SEBI ICDR Regulations.
 - Equity shares shall be locked-in for a period of one year from the date of trading approval from the stock exchange i.e. BSE Limited. However, for the purpose of transferring the control, lender banks may transfer their shareholding to an entity before completion of the locked-in period subject to continuation of the lock in on such shares for the remaining period with the transferee.
 - The applicable provisions of the Companies Act, 2013 are complied with, including the requirement of special resolution.
- (ii) While in case of preferential allotment contemplated in Resolution No.3, as per SEBI ICDR Regulations, the Relevant Date will be 30 days prior to the date of the Extra Ordinary General Meeting i.e. December 22, 2017.

Valuation of Fresh Infusion by way of equity shares, being infrequently traded shares, has been done as per Regulation 76A of SEBI ICDR Regulations. Accordingly a valuation of Rs.2.73 per equity share has been arrived. However, since the issue price should not be less than the face value, the proposed issue and allotment of upto 13,17,60,238 equity shares will be at the face value of Rs.6/- each.

(11) THE CHANGE IN CONTROL, IF ANY, IN THE COMPANY THAT WOULD OCCUR CONSEQUENT TO THE PREFERENTIAL OFFER

In terms of RBI Circular, lender banks will hold minimum 51% of the paid up capital of the Company subsequent to the issue and allotment of proposed equity shares notwithstanding the current holding of the Promoter. Consequent to the proposed preferential issue and allotment of equity shares, lender banks shall have the right to divest their holdings in the equity shares of the Company to new promoter(s) in accordance with the RBI Circular. However, as per current guidelines, the management control of the Company will remain with the existing management of the Company.

(12) THE NUMBER OF PERSONS TO WHOM ALLOTMENT ON PREFERENTIAL BASIS HAVE ALREADY BEEN MADE DURING THE YEAR IN TERMS OF NUMBER OF SECURITIES AS WELL AS PRICE

During the year, the Company has not made any allotment on preferential basis to any person.

(13) JUSTIFICATION FOR ALLOTMENT PROPOSED TO BE MADE FOR CONSIDERATION OTHER THAN CASH TOGETHER WITH VALUATION REPORT OF THE REGISTERED VALUER

The proposed issue and allotment of equity shares is pursuant to the conversion of debt into equity shares in accordance to the SDR package and against Fresh Infusion of funds and hence the aforesaid disclosure is not required.

(14) THE TERMS OF 8,60,00,000 1% OPTIONALLY CONVERTIBLE DEBENTURES OF RS.10/- EACH AGGREGATING TO RS.86,00,00,000/- (RUPEES EIGHTY SIX CRORE ONLY) (“OCD”) ARE GIVEN HEREUNDER:

- (a) Each OCD shall be convertible into one 8% Redeemable Cumulative Preference Shares of Rs.10/- each (“Preference Shares”) at any time within five months from the date of issue at the option of the OCD holder.
- (b) If the OCDs are not converted into Preference Shares, it shall be redeemable at par at the end of nineteenth year from the date of issue or at any time before, at the option of the OCD holder.
- (c) The Preference Shares shall be non-participating, non-voting, cumulative and redeemable at par at any time after six months from the date of conversion at the option of the holder and if not redeemed in such manner, it shall be redeemed at the end of nineteenth year from the date of Conversion.
- (d) **Additional Information in respect of Preference Shares as required under Rule 9(3) of the Companies (Share capital and Debentures) Rules, 2014 not covered anywhere else in this explanatory statement are mentioned below:**
 - i. **Basis on which the price has been arrived at:** not applicable since being issued at par
 - ii. **Current shareholding pattern of the company:** Please refer paragraph (3) of this explanatory statement.
 - iii. **Expected dilution in equity share capital upon conversion of preference shares, the terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion:** Not Applicable. Preference shares will be redeemable.

The draft copy of the Memorandum of Association and all other documents mentioned in the explanatory statement and resolutions, will be available for inspection at the Registered Office as well at the Corporate Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day except Saturday and Sunday until the date of the meeting and also be available for inspection at the meeting.

The Board recommends following resolutions as set out in the notice for approval of the members:

- i. Ordinary Resolution for increase of Authorised Share Capital from the existing Rs.155,00,00,000/- (Rupees One Hundred Fifty Five Crore Only) divided into 11,00,00,000 (Eleven Crore) Equity Shares of Rs.6/- (Rupees Six Only) each and 8,90,00,000 (Eight Crore Ninety Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each to Rs.550,00,00,000/- (Rupees Five Hundred Fifty Crore Only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of Rs.6/- (Rupees Six Only) each and 25,00,00,000 (Twenty Five Crore) Preference Shares of Rs.10/- (Rupees Ten Only) each and alteration of Clause V of Memorandum of Association as mentioned in Resolution No.1.
- ii. Special Resolution for conversion of a part of the loan and interest outstanding to the extent of Rs.150 Crore into 25,00,00,000 equity shares of Rs.6/- each in the Company pursuant to SDR, to enable lender banks to collectively hold minimum 51% or more of the equity share capital of the Company as mentioned in Resolution No.2.
- iii. Special Resolution for issue and allotment of upto 13,17,60,238 Equity shares of Rs.6/- each aggregating to Rs.79,05,61,428/- (Rupees Seventy Nine Crore Five Lakh Sixty One Thousand Four Hundred Twenty Eight Only) to the Strategic Investor by way of preferential issue as mentioned in Resolution No.3.
- iv. Special Resolution for issue and allotment of upto 8,60,00,000 1% Optionally Convertible Debentures of Rs.10/- each aggregating to Rs.86,00,00,000/- (Rupees Eighty Six Crore Only) as proposed in Resolution No. 4.

None of the Directors or Key Managerial Personnel including their relatives is concerned or interested, financial or otherwise in the aforesaid resolutions.

By Order of the Board

Sd/-
Nilesh Javker
Company Secretary
ACS-24087

Place: Mumbai
Date: December 19, 2017

PROXY FORM

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

CIN : L27100GJ1980PLC020358

Name of the Company: RMG ALLOY STEEL LIMITED

Registered Office : G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat- 393110, India. Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade world, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

Tel No: +91 -22-66136000 Fax: +91-22-2490 8020

Name of the member (s) : _____

Registered Address : _____

E-mail Id: _____

Folio No / Client ID

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DP ID

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

1. Name : _____

Address : _____

E-mail Id: _____ Signature : _____ ; or failing him

2. Name : _____

Address : _____

E-mail Id: _____ Signature : _____ ; or failing him

3. Name : _____

Address : _____

E-mail Id: _____ Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Extra Ordinary General Meeting of the Company to be held on Wednesday, January 24, 2018 at 12.30 p.m. at the Registered Office of the Company at G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject of the Resolution	Vote	
		For	Against
1	Increase of Authorised Share Capital of the Company from Rs.155,00,00,000/- to Rs.550,00,00,000/-		
2	Conversion of a part of the loan and interest outstanding to the extent of Rs.150 Crore into 25,00,00,000 equity shares of Rs.6/- each in the Company pursuant to Strategic Debt Restructuring		
3	Issue and allotment of 13,17,60,238 Equity shares of Rs.6/- each aggregating to Rs.79,05,61,428/- (Rupees Seventy Nine Crore Five Lakh Sixty One Thousand Four Hundred Twenty Eight Only) by way of preferential issue		
4	Issue and allotment of upto 8,60,00,000 1% Optionally Convertible Debentures of Rs.10/- each aggregating to Rs.86,00,00,000/- (Rupees Eighty Six Crore Only)		

Signed this day of

Signature of member _____

Signature of Proxy Holder(s) : 1) _____ 2) _____ 3) _____

Affix Re. 1 Revenue stamp

Note:

- 1) Please complete all the details including details of member(s) in the above Box before submission.
- 2) It is optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- 3) **A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
- 4) The Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

RMG ALLOY STEEL LIMITED

CIN : L27100GJ1980PLC020358

Registered Office : Plot No 1 G I D C Industrial Estate Valia Road Jhagadia Dist Bharuch Jhagadia GJ 393110.

Corporate Office : B/9, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Tel: +91 -22-66136000 Fax: +91-22-2490 8020

ATTENDANCE SLIP

Name of the sole / first named member : _____

Address of sole / first named member : _____

Registered folio no. : _____

DP ID no. / Client ID no.* : _____

Number of shares held : _____

I hereby record my presence at the Extra Ordinary General Meeting of the Company held on Wednesday, January 24, 2018 at Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch- 393110, Gujarat, at 12:30 PM.

Signature of Shareholder/ Proxy Present

Note: Members are requested to fill up the attendance slip and hand it over at the venue of the meeting.

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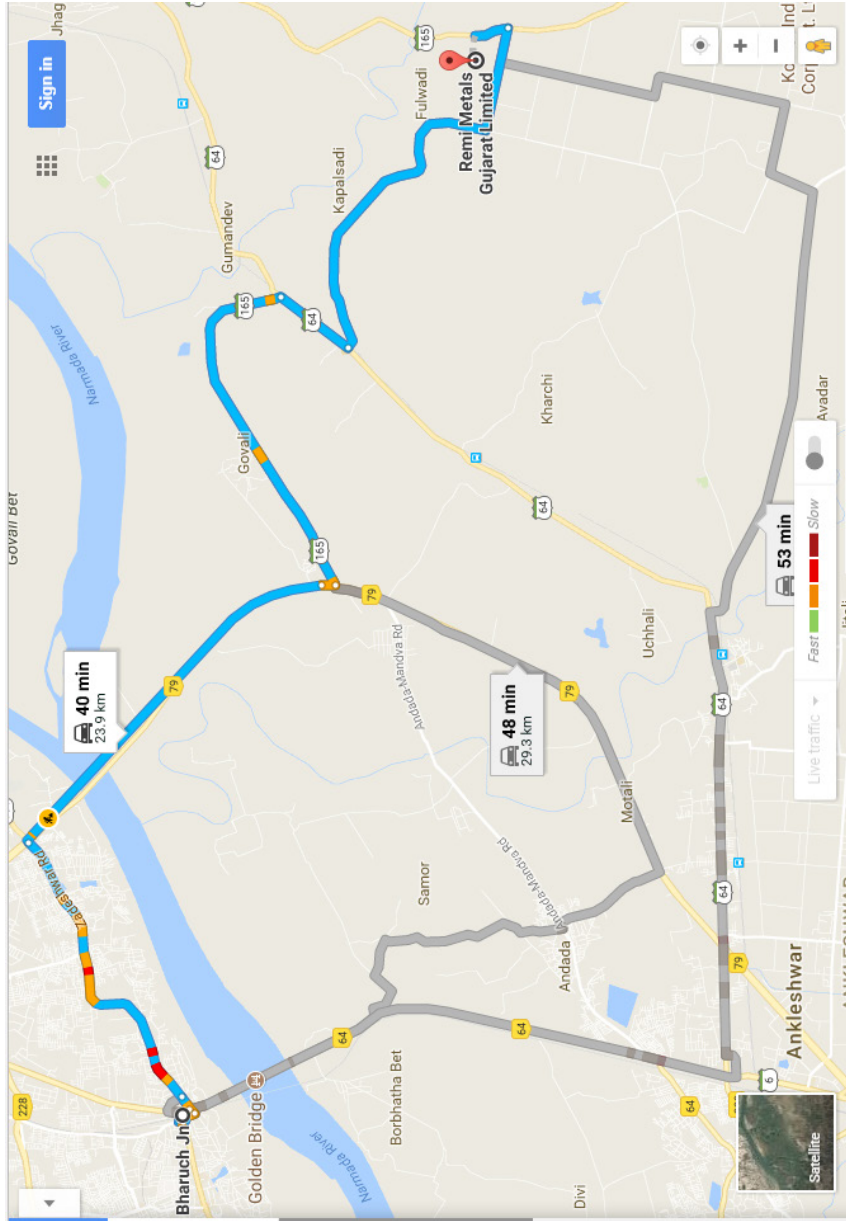
Important note for Electronic Voting:

The e-voting period commences on Sunday, January 21, 2018 at 9:00 am and ends on Tuesday, January 23, 2018 at 5:00 pm. The e-Voting module shall be disabled by CDSL for voting thereafter.

Please read the instructions before exercising the vote.

These details and instructions form integral part of the Notice dated December 19, 2017 of Extra Ordinary General Meeting.

LOCATION MAP:



← from Bharuch Jn, Railway Station Rd, Railway Colony, ...
to Remi Metals Gujarat Limited, Jhagadia GIDC, Gujjar...



40 min (23.9 km)

via GJ SH 165

Fastest route

▲ This route has tolls.

Bharuch Jn

Railway Station Rd, Railway Colony, Bharuch, Gujarat 392012

↑ Head south-west

1 Pass by Bharuch Station Police Chowki (on the left)

21 s (64 m)

> Drive along Zadeshwar Rd and GJ SH 165

28 min (17.2 km)

> Continue to Jhagadia GIDC

10 min (6.1 km)

↩ Turn left onto GJ SH 165

50 s (450 m)

Remi Metals Gujarat Limited

Jhagadia GIDC, Gujarat 393110

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route