

SCRUTINIZER REPORT FOR E-VOTING CARRIED OUT FOR FACOR STEELS LIMITED

TO,
THE CHAIRMAN,
FACOR STEELS LIMITED
46- A & B, MIDC IND. ESTATE,
HINGNA ROAD,
NAGPUR-440016.
MAHARASHTRA.
INDIA


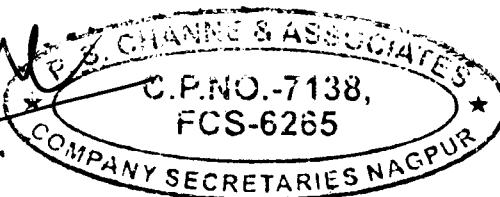
Sub: Passing of Resolution through electronic voting, pursuant to Section 108 of the Companies Act, 2013 and Rule No. 20 prescribed by MCA, vide notification dated 27/03/2014

Pursuant to the Resolution passed by the Board of Directors of **FACOR STEELS LIMITED** hereinafter referred to as "FSL" on August 6th 2014, I have been appointed as the Scrutinizer for the e-voting process as mentioned under Sub rule 3(ix) of the Rule 20 in respect of the 11th Annual General Meeting to be held on September 11, 2014. I say, I am familiar and well versed with the concept of electronic voting system as prescribed under the said Rules and the SEBI circular CIR/CFD/POLICY CELL/2/2014 dated 17th April 2014 amending clause 35B of the listing Agreement issued in this regard.

The Company had appointed Central Depository Services (India) Limited (CDSL) as the service Provider for extending the facility of electronic voting to the Shareholder of the company. Link Intime India Pvt. Ltd. is the Registrar and Share Transfer Agent for the Company. The Service Provider accordingly had provide the system for recording the votes of the Shareholders electronically through e-voting on all the items of the business of the Annual General Meeting Notice dated August 06, 2014, sought to be transacted in the Annual General Meeting of the Company, which is to be held on September 11, 2014. The Service Provider had set up e-voting facility on their website, <http://evoting.cdsl.com>. The Company had also uploaded the Notice of the Annual General Meeting which forms an integral part of the Annual Report for the FY 2013-2014 on the website of the Company i.e. www.facorsteel.com and its Service Provider to facilitate its shareholders to cast their votes through e-voting.

FSL had on August 18, 2014 sent the Notices of the AGM by email to all shareholders whose email Id was made available by the two depositors and for those holding for physical form to the extent it was available with the RTA. In respect of the balance 37425 (Thirty Seven Thousand Four Hundred and Twenty five) shareholders the Notices were sent to 35919 shareholders by courier and to 1506 shareholders by the Registered post and all the dispatched were completed by the 14th of August 2014. The Notice which was sent through email was sent as an attachment.

Office & Residence -
Plot No 131, Shyam Nagar ,
Lay-out No. 3, Bel-Tarodi Road,
Somalwada Extension,
Wardha Road, Nagpur-440015
E-mail - pradipt21@rediffmail.com
fcs6265@gmail.com
CELL : 9595447460 & 7620214671

The Notice contained the detailed procedure (through email) to be followed by the shareholders who were desirous of casting their votes electronically as provided in the Rule 20.

The cut-off date for the purposes of identifying the shareholders, who will be entitled to vote on the resolutions placed for approval of the shareholders was July 25, 2014. As prescribed in the Rules, the e-voting facility was kept open for 2 days for September 5, & September 6, 2014.

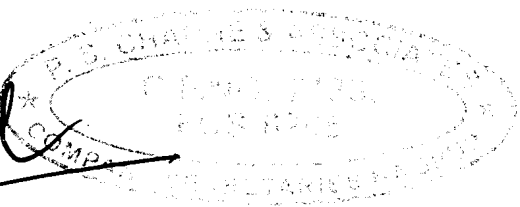
As prescribed in Sub Rule 3(v) of the Rule 20, the Company also released an advertisement, which was published more than 5 days in advanced from the date of beginning of the voting period in English in Financial Express newspaper (All India edition) dated August 20, 2014 and in Marathi in Deshonatti newspaper carried the required information as specified in said Rule 20.

At the end of the voting period on September 6, 2014 the voting portal of the Service Provider was blocked forthwith. On September 8, 2014 the votes cast through e-Voting facility was duly unblocked by me as a scrutinizer in the presence of Ms. Yuti Nagarkar and Mr. Gajanan Morey, who acted as the witnesses, as prescribed in Sub Rule 3(xi) of the Rule 20.

As a Scrutinizer the report of the e-voting carried out by the shareholders was duly compiled, the details of the results for the exercise so conducted is as follows:

Item No. 1 of the Notice (As an Ordinary Resolution)	To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March 2014, including Audited Balance Sheet and Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.					
Manner of Voting	For	%age	Against	%age	Abstained/Invalid	%age
E -Voting	122894850	59.51	100	0.00	000	0.00
Total	122894850	59.51	100	0.00	000	0.00
Item No. 2 of the Notice (As an Ordinary Resolution)	To appoint a Director in the place of Mr. Narayandas Saraf (DIN: 00006260), who retires from Office by rotation and, being eligible, offers himself for re-appointment.					
Manner of Voting	For	%age	Against	%age	Abstained/Invalid	%age
E -Voting	122894850	59.51	100	0.00	19131539***	9.26
Total	122894850	59.51	100	0.00	19131539	9.26
Item No. 3 of the Notice (As an Ordinary Resolution)	"RESOLVED THAT in accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments therefore for the time being in force), M/s Salve And Company, Chartered Accountants, (Regn. No. 109003W), be					

eschau



and they are hereby appointed Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 14th Annual General Meeting of the Company i.e. for a period of 3 years, at such remuneration plus service tax as applicable and reimbursement of expenses incurred by them incidental to their functions, as shall be fixed by the Board of Directors of the Company. The appointment of the Auditors shall be subject to ratification by members in every subsequent Annual General Meeting till the conclusion of the 14th Annual General Meeting.”

<u>Manner of Voting</u>	<u>For</u>	<u>%age</u>	<u>Against</u>	<u>%age</u>	<u>Abstained/Invalid</u>	<u>%age</u>
E - Voting	122894850	59.51	100	0.00	000	0.00
Total	122894850	59.51	100	0.00	000	0.00

Item No. 4 of the Notice (As an Ordinary Resolution) “RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Anand S. Kapre (DIN 00019530), a non executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for 5 (five) consecutive years with effect from 11th September, 2014 up to 10th September, 2019.”

<u>Manner of Voting</u>	<u>For</u>	<u>%age</u>	<u>Against</u>	<u>%age</u>	<u>Abstained/Invalid</u>	<u>%age</u>
E - Voting	122894850	59.51	100	0.00	000	0.00
Total	122894850	59.51	100	0.00	000	0.00

Item No. 5 of the Notice (As an Ordinary Resolution) “RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Mohandas S. Adige (DIN: 00280925), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for 5 (five) consecutive years with effect from 11th September, 2014 up to 10th September, 2019.”

<u>Manner of Voting</u>	<u>For</u>	<u>%age</u>	<u>Against</u>	<u>%age</u>	<u>Abstained/Invalid</u>	<u>%age</u>
E - Voting	122894850	59.51	100	0.00	000	0.00
Total	122894850	59.51	100	0.00	000	0.00

esuhame

Item No. 6 of the Notice (As an Ordinary Resolution)	<p>“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Mahendra B. Thaker (DIN: 00004263), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for 5 (five) consecutive years with effect from 11th September, 2014 up to 10th September, 2019.”</p>					
Manner of Voting E –Voting	For 122894850	%age 59.51	Against 100	%age 0.00	Abstained/Invalid 000	%age 0.00
Total	122894850	59.51	100	0.00	000	0.00
Item No. 7 of the Notice (As an Ordinary Resolution)	<p>“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Kesharao A. Pardhi (DIN: 00009724), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this 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 Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from 11th September, 2014 up to 10th September, 2019.”</p>					
Manner of Voting E –Voting	For 122894850	%age 59.51	Against 100	%age 0.00	Abstained/Invalid 000	%age 0.00
Total	122894850	59.51	100	0.00	000	0.00
Item No. 8 of the Notice (As an Ordinary Resolution)	<p>“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Vinod V. Saraf (DIN: 00012034) as Managing Director of the Company, for a period of 5 (five) years with effect from August 1, 2014, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of</p>					

eschane

	<p>the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Vinod Saraf subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;</p> <p>RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”</p>					
<u>Manner of Voting</u>	<u>For</u>	<u>%age</u>	<u>Against</u>	<u>%age</u>	<u>Abstained/Invalid</u>	<u>%age</u>
E -Voting	122894850	59.51	100	0.00	13701047***	6.64
Total	122894850	59.51	100	0.00	13701047	6.64
Item No. 9 of the Notice (As an Special Resolution)	<p>“RESOLVED THAT in supersession of the Ordinary Resolution passed under Section 293(1) (d) of the Companies Act, 1956 at the 1st Annual General Meeting held on 23rd October, 2004 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of 300 Crores (Rupees Three hundred Crores) and the Board be and is hereby authorized to decide all terms and conditions in relation to such borrowing, at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required..”</p>					
<u>Manner of Voting</u>	<u>For</u>	<u>%age</u>	<u>Against</u>	<u>%age</u>	<u>Abstained/Invalid</u>	<u>%age</u>
E -Voting	122894850	59.51	0.00	0.00	000	0.00
Total	122894850	59.51	0.00	0.00	000	0.00
Item No. 10 of the Notice (As an Special Resolution)	<p>“RESOLVED THAT in supersession of the ordinary resolution passed under Section 293(1)(a) of the Companies Act, 1956 by the members of the Company at the 5th Annual General Meeting of the Company held on 17th September, 2008 and pursuant to Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not</p>					

Eschane

	<p>limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding Rs.300,00,00,000/- (Rupees Three Hundred Crores only).</p> <p>RESOLVED FURTHER THAT the Board of Directors or such Committee or person(s) as may be authorized by the Board be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions and at such time(s) / tranch(es) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.”</p>					
Manner of Voting	For	%age	Against	%age	Abstained/Invalid	%age
E -Voting	122894850	59.51	100	0.00	000	0.00
Total	122894850	59.51	100	0.00	000	0.00
Item No. 11 of the Notice (As an ordinary Resolution)	<p>“RESOLVED THAT based on the Audited Balance Sheet of the company for the financial year ended on 31st March 2014 the Board of Directors found that the Accumulated losses of the company as at 31.03.2014 amounting to 7552.62 lacs exceed the entire net worth of the company amounting to 5343.24 lacs as on the same date, and in view of the same the company has become a sick industrial company as defined under Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and a reference be made to the Hon’ble Board for Industrial and Financial Reconstruction (BIFR) to seek determination of measures which would be adopted as required under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act,1985.”</p> <p>“RESOLVED FURTHER THAT consequent to determination of sickness, the Board of Directors of the Company be and is hereby authorized to send the report to the BIFR and do all such acts, deeds, matters and things as it may deem necessary, desirable or expedient in relation thereto.”</p> <p>“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any officer or officers of the Company to give effect to this resolution.”</p>					
Manner of Voting	For	%age	Against	%age	Abstained/Invalid	%age
E -Voting	122894850	59.51	100	0.00	000	0.00
Total	122894850	59.51	100	0.00	000	0.00

eschane

Item No. 12 of the Notice (As an ordinary Resolution)	"RESOLVED THAT pursuant to Sections 141, 148 and other applicable provisions, if any, of the Companies Act, 2013, and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of Central Government as may be required, the Company hereby approves and ratifies the remuneration of Rs. 50,000/- (Rupees fifty thousand only) plus applicable taxes and out of pocket expenses payable to Mr. Shridhar S. Phatak (Registration Number: 100055), Cost Accountant, appointed as Cost Auditors of the Company for the financial year 2014-15."					
Manner of Voting	For	%age	Against	%age	Abstained/Invalid	%age
E -Voting	122894850	59.51	100	0.00	000	0.00
Total	122894850	59.51	100	0.00	000	0.00

Note:

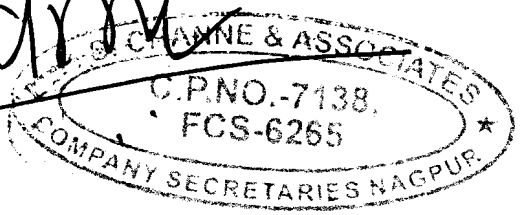
***denotes Invalid Votes being votes casted by interested director and their relatives falling within the definition of relatives covered u/s 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of definitions details) Rules, 2014..

The resolutions stands passed (subject to the results) under e-voting with the requisite majority.

I hereby confirm that I am maintaining the Register electronically in respect of the votes cast through e-Voting by the shareholders of the company. I shall be arranging to hand over these records to the Chairman of the Company or to such person as may be authorized by the Chairman in due course.

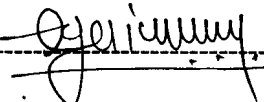
Thanking you,
Yours Faithfully
For P S Channe & Associates
Company Secretary in Practise

CS Pradip Channe
(Proprietor)
M. No. FCS 6265
C. P. No.7138



Place: Nagpur
Date: September 09, 2014

Witness 1:  (Ms. Yuti Prabhakar Nagarkar)

Witness 2:  (Mr. Gajnanan Ananda Morey)

FACOR STEELS LIMITED
Final e-voting Report in respect of the resolutions

Res. No.	Resolution	Assent	%	Dissent	%	Total	%	Abstained/In valid	Total Votes Cast
1	Ordinary Resolution for adoption of Audited Financial Statement for the year ended March 31, 2014	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					50
2.	Ordinary Resolution To appoint a Director in the place of Mr. Narayandas Saraf (DIN: 00006260), who retires from Office by rotation	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					50
3.	Ordinary Resolution under section 139 of the Companies Act 2013 for appointment of M/s Salve And Company, Chartered Accountants, (Regn. No. 109003W), as Statutory Auditors of the Camonay and fixing their remuneration.	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					50
4.	Ordinary Resolution for Appointment of Mr. Anand S. Kapre (DIN 00019530), as non-executive Independent Director of the Company under the Provision of the section 149, 152 of the Companies Act, 2013	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					50
5.	Ordinary Resolution for Appointment of Mr. Mohandas S. Adige (DIN: 00280925) as non-executive Independent Director of the Company under the Provision of the section 149 152of the Companies Act, 2013	122894850	59.51	100	0.00	122894950	59.51	000	122894950

Escham


	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					50
6.	Ordinary Resolution for Appointment of Mr. Mahendra B. Thaker (DIN: 00004263), as non-executive Independent Director of the Company under the Provision of the section 149 152of the Companies Act, 2013	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					50
7.	Ordinary Resolution for Appointment Mr. Kashaorao A. Pardhi (DIN: 00009724), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company as Independent Director of the Company to hold office for 5 (five) consecutive years with effect from 11th September, 2014 up to 10th September, 2019." under the Provision of the section 149 152of the Companies Act, 2013, Clause 49 of the Listing Agreement,	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					50
8.	Ordinary Resolution for re appointment Mr. Vinod V. Saraf (DIN:00012034) as Managing Director of the Company, for a period of 5 (five) years with effect from August 1, 2014 under Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013	109193803	52.87	100	0.00	109193903	52.87	13701047	122894950
	No. of Securities	109193803	52.87	100	0.00	109193903	52.87	13701047	122894950
	No. of Folios	38		1				11	50
9.	Special Resolution under section 180 (1) (c) of the	122894850	59.51	100	0.00	122894950	59.51	000	122894950

[Handwritten Signature]

[Circular Stamp: COMPANY SECRETARIES & ASSOCIATES, P.F. NO. 7100, P.O. 0205, COMPANY SECRETARIES & ASSOCIATES]

	Companies Act, 2013 for borrowing an amount not exceeding Rs. 300 crore								
	No. of Securities	122894850	59.51	0.00	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					
10.	Special resolution to mortgage/ charge on the assets/ undertakings of the company to secure financial facilities upto a limit not exceeding Rs. 300.00 crore pursuant to section 180 (1) (a) of the companies act, 2013	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					
11.	Ordinary resolution for reference be made to the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) to seek determination of measures which would be adopted as required under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985."	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					
12.	Ordinary resolution approves and ratifies the remuneration of Rs. 50,000/- (Rupees fifty thousand only) plus applicable taxes and out of pocket expenses payable to Mr. Shridhar S. Phatak (Registration Number: 100055), Cost Accountant, appointed as Cost Auditors of the Company for the financial year 2014-15, pursuant to Sections 141, 148 and other applicable provisions, if any, of the Companies Act, 2013,	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Securities	122894850	59.51	100	0.00	122894950	59.51	000	122894950
	No. of Folios	49		1					

Shane