

BIHAR SPONGE IRON LTD.
CIN: L27106JH1982PLC001633

Registered Office: Umesh Nagar, Chandil, Dist. Saraikela-Kharsawan, Jharkhand-832401
Ph.: +91-6591-232410/17, E-mail: companysecretary@bsil.org.in,
Web: <http://www.bsil.org.in>

POSTAL BALLOT NOTICE

Notice is hereby given that in compliance with the provisions of Section 110 of the Companies Act, 2013 ('the **Act**') read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("**Rules**") including any amendment thereof, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and General Circular No. 14/2020 dated 8 April, 2020 , 17/2020 dated 13 April, 2020 , 22/2020 dated 15 June, 2020 and 33/2020 dated 28th September, 2020 issued by the Ministry of Corporate Affairs ("**MCA Circulars**"), to transact the below mentioned proposed special businesses by the Members of Bihar Sponge Iron Limited (the "**Company**") by way of passing resolution through Postal Ballot via remote e-voting ("**Postal Ballot/ E-Voting**"). An Explanatory Statement pursuant to Section 102(2) of the Act setting out all material facts relating to the proposed resolutions is annexed hereto for your consideration.

The Board of Directors of the Company appointed M/s. Soniya Gupta & Associates, Practicing Company Secretaries as the Scrutinizer for conducting the voting process through Postal Ballot / E-Voting in accordance with the law and in a fair and transparent manner.

In accordance with the MCA Circulars, Shareholders can vote only through the remote e-voting process. Accordingly, the Company is pleased to offer remote e-voting facility to all its members to cast their vote electronically. The Company has engaged Central Depository Securities Limited ("**CDSL**") to provide e-voting facility to its Members. The procedure for e-voting is mentioned in the notes under section voting through electronic means. The E-Voting facility is available at the link www.evoting.cdsl.com from 9.00 a.m. on Friday, 20th November, 2020 up to 5.00 p.m. on Saturday, 19th December, 2020.

Members should note that in terms of the MCA Circulars, no physical ballot form is being dispatched by the Company and the Members can cast their vote using remote e-voting facility only.

The Scrutinizer will submit their Report to the Chairman of the Company after completion of scrutiny of E-Voting data provided by CDSL. The result on the resolutions proposed to be passed through Postal Ballot/E-Voting shall be announced on or before Monday , 21st December, 2020 by 5:00 p.m. and shall be communicated to BSE Limited (**BSE**), CDSL and Beetal Financial & Computer Services Pvt Ltd (**BEETAL or Registrar and Share Transfer Agent**) and will also be displayed on the Company's website at www.bsil.org.in .

SPECIAL BUSINESS

Resolution No.1 - Alteration of Objects Clause and Adoption of Memorandum of Association to align with the provisions of the Companies Act, 2013.

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

“RESOLVED THAT pursuant to provisions of Sections 4, 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force (“**Act**”) and subject to such other approvals, sanctions and permissions as may be necessary, the consent of the members of the Company be and is hereby accorded to alter and amend existing Memorandum of Association of the Company as follows:

1. The heading of existing Clause III and sub-clause (A) thereof be and is hereby substituted and replaced as follows:

2. III. (A) THE OBJECT TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION IS:

Clause III (A) of the Objects clause of the Memorandum of Association of the Company be titled as ‘THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION’ and after para 1 to 5 of Clause III (A), following new para shall be added and renumbered accordingly:

6. To carry on the business as manufactures, producers, assemblers, traders, buyers, sellers, importers, exporters, distributors, agents, factors, stockiest, commission agent, consignment agents, wholesalers, retailers of all kinds of tubes including collapsible tubes PET, containers, made of plastic, glass, cellulose, PET, HDPE Bottles and caps, rubber, metal foils, gelatin, tin flexible and any other material both in India and abroad.

2. The heading of existing Clause III (B) be and is hereby substituted and replaced as follows:

(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:

3. The existing Clause III (C) named as ‘Other Objects’ of the Company not included in A & B above along with all its paragraphs be and is hereby deleted in full;

4. The words and figures “the Companies Act, 1956” wherever appearing in the Memorandum of Association be and is hereby substituted and replaced by the words and figures “the Companies Act, 2013” and reference of relevant provisions of the Companies Act, 1956 be and is hereby substituted and replaced with the reference of relevant provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any duly constituted committee thereof) , the Company Secretary or duly authorized officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to accept and carry out any modifications, alteration or changes to aforementioned resolution as may be suggested or directed by the Registrar of Companies or any other appropriate authority without requiring any further approval of the members of the Company and to settle any question, difficulty or doubt, that may arise in giving effect to aforementioned resolution.”

Resolution No. 2- Authorization for entering in to Related Party Transactions

To consider and if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015(“Listing Regulations”) and Section 188 to the extent applicable and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014 and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the members be and is hereby accorded to the Board of Directors of the Company (“hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into the contracts and/or arrangements, material related party transactions with the Related Parties and its associate companies as defined under the Act, with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, giving and taking of ICD’s and creation of charge in favour of Related Parties on such terms and conditions as may be mutually agreed upon between the Board of Directors of the company and the related parties, as per details mentioned below w.e.f. 1st July, 2020 and every year thereafter upto maximum amount per annum not to exceed Rs. 100 Crores:-

SI No.	Name of Related Party	Period of Contract	Particulars of Contract	Expected Maximum Value of Transactions per annum w.e.f. 1 st July , 2020 (Rs. Crores)
1.	G.S. Pharbutor Private Limited	1 st July, 2020 to 31 st March, 2022	Lease/Sub-lease/rent for office, Sale, purchase or supply of any goods or material, availing or rendering of any service Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	100 Crores
2.	Jayesh Tradex Private Limited	--do--	Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	
3.	Modi Hitech India Limited	----do---	Sale, purchase or supply of any goods , Lease/Sub-lease/rent for office, Availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given, payment of Interest on ICDsor any other material related party transactions.	

4.	Win Medicare Private Limited	---do---	Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, Guarantee/ Security given or any other material related party transactions.
5.	Modillne Travel Services Pvt Ltd	---do---	Availing or rendering of any service, or any other material related party transactions.
6.	Modi Motors Pvt Ltd	---do---	Availing or rendering of any service, or any other material related party transactions.
7.	Any other related party/ies not mentioned hereinabove and as defined under the Act.	--do--	Availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given, payment of Interest on ICDs, Guarantee/ Security given or any other material related party transactions.

RESOLVED FURTHER THAT consent of the Company is accorded for ratification of the aforesaid related party transactions already entered into by the Company exceeding the threshold limits as specified in Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and which are material in nature in terms of Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things , settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company.”

**By Order of the Board of Directors
Bihar Sponge Iron Limited**

**Date: 10th November, 2020
Place: New Delhi**

**Sd/-
Himani Mittal
Company Secretary**

NOTES:

1. The explanatory statement pursuant to the Section 102 of the Companies Act, 2013 (“Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”), each as amended, setting out the material facts relating to the proposed resolution and the reasons thereof is annexed hereto and forms part of this Postal Ballot Notice (“Notice”).
2. The Postal Ballot Notice is being sent by email to all the Members, whose names appear on the Register of Members/List of Beneficial Owners as received from Central Depository Services (India) Limited (‘CDSL’) as on Friday, 30th October,2020 (the 'cut-off date') and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent. The members may also download copy of Postal ballot from the website www.bsil.org.in

3. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up share capital of the Company as on the cut-off date. Any recipient of the Postal Ballot Notice who was not a Member of the Company as on the cut-off date should treat this Postal Ballot Notice for information purpose only.
4. Members who have not registered their e-mail addresses with the Company can now register the same by sending an e-mail to the RTA on investor@beetalfinancial.com
5. Resolutions passed by the Members through postal ballot/e-voting are deemed to have been passed at a General Meeting of the Shareholders.
6. A member cannot exercise his/her vote by proxy on Postal Ballot/E-voting.
7. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the SEBI Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one regional daily newspaper (in vernacular language).
8. The resolutions, if passed by the requisite majority shall be deemed to have been passed on the last date specified by the Company for receipt of votes through the e-voting process.

Voting through Electronic Means :

In compliance with provisions of Section 108 and 110 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (mandatory for all listed companies), the Company is pleased to provide voting by electronic means (e-voting) facility to exercise their right to vote electronically. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility to all its members.

- (i) The e-voting period begins on Friday, 20th November, 2020 at 9.00 A.M. and ends on Saturday, 19th December 2020 at 5.00 P.M. 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 30th October, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" module.
- (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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (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 e-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 Shareholders 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) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
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. 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 (v).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 the relevant Bihar Sponge Iron Limited 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login 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**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; companysecretary@bsil.org.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@beetalfinancial.com.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@beetalfinancial.com

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

Item No. 1

The Members of the Company are aware that the existing Memorandum of Association (“**existing MOA**”) of the Company is based on the provisions of the Companies Act, 1956. Further, the said Companies Act, 1956 has been repealed and replaced by the Companies Act, 2013 (“**the Act**”) pursuant to notification dated 30 January, 2019 issued by the Ministry of Corporate Affairs and consequently, it is considered expedient to align the existing MOA of the Company with the format of Memorandum of Association for public companies limited by shares as prescribed under the Act.

The principal business of the Company at present is of producing sponge iron, looking to unfavorable business conditions in the steel industry, the Board feels that Company should widen its activities by undertaking activities in new sectors as stated in the above resolution.

In order to make the main object clause of the Memorandum of Association (MOA) comprehensive and to include other activities to be undertaken by Company . It is proposed to include additional objects in the main object clause of the Memorandum of Association of the Company as set out in the special resolution at item no. 1 of this Notice.

The Board at its meeting held on 10th November, 2020 has approved alteration of the object clause of MOA of the Company and seeks Members’ approval for the same.

Pursuant to provisions of Section 13 and other applicable provisions, if any of the Act, alteration in the MOA of the Company requires the approval of the members by means of a special resolution.

The proposed MOA of the Company will be available for inspection by the members from the date of circulation of this notice up to 19th December, 2020. Members seeking to inspect such MOA can visit the Company’s website www.bsilorg.in

None of the Directors or Key Managerial Personnel of the Company or their relatives is, directly or indirectly, concerned or interested (financial or otherwise) in the special resolution.

The Board recommends the Special Resolution set forth in Item No. 1 of the Notice for approval of the Members.

ITEM NO. 2

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into transactions which are in the ordinary course of business and/or are on arm’s length basis. Transactions that do not satisfy these criteria can be carried out only with the approval of the shareholders accorded by way of a special resolution. Though all the transactions with the related parties mentioned under the resolution in Item No.2 are in the ordinary course of business and are at arm’s length basis.

Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has made it mandatory that all material Related Party Transactions (i.e., the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company) shall require approval of the shareholders by way of Ordinary resolution. However,

since these transactions, though may be on arm's length basis and also may be in the ordinary course of business, yet as an abundant caution, it is proposed to seek approval of members by passing a Ordinary Resolution pursuant to Section 188 read with rules made thereunder and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nature of Interest of Related of Related parties in the Company is given below:-

Sr. No.	Related party and nature of relation	Directors/KMP who is related and nature of relation
1	G S Pharmbutor Pvt. Ltd.	G S Pharmbutors Pvt. Ltd. holds more than 20 % of shares in Moderate Leasing and Capital Services Limited which is a promoter group company and holds 49 .10 % shares of the Company.Mr. Rajeev Kumar Agarwal is also common Director.
2.	Jayesh Tradex Pvt. Ltd.	Mr. Jayesh Modi and Mrs. Kumkum Modi as common directors and Mr. U. K. Modi, Mr. Abhishek Modi, as relative of Directors.
3.	Modi Hitech India Ltd.	Mr. U. K. Modi, Mrs. Kumkum Modi, Mr. Abhishek Modi, Mr. Jayesh Modi, Mr. Anirudh Kumar Modi and Mr. B. D. Garg are common Directors.
4.	Win Medicare Pvt. Ltd.	Mr. U. K. Modi, Mrs. Kumkum Modi, Mr. Abhishek Modi and Mr. Jayesh Modi are common Directors.
5.	Modi Line Travel Services Pvt. Ltd.	Mrs. Kumkum Modi, Mr. Abhishek Modi as common director and Mr. U. K. Modi, Mr. Jayesh Modi as relative of Directors.
6.	Modi Motors Pvt. Ltd	Mrs. Kumkum Modi as common director and Mr. U. K. Modi, Mr. Abhishek Modi and Mr. Jayesh Modi as relative of Directors.

**By Order of the Board of Directors
Bihar Sponge Iron Limited**

**Date:10th November,2020
Place: New Delhi**

**Sd/-
Himani Mittal
Company Secretary**