

INCAP LIMITED

BOARD OF DIRECTORS

Sri. C.Bhagavantha Rao
Smt. C.Neelima
Sri. P.Ram Rao
Smt.P.Himabindu

Managing Director
Whole-time Director
Director
Director

AUDITORS

M/s.Purnachandra Rao & Co.,
Chartered Accountants,
Sivalayam Street,
Gowrisankarapuram,
GUDIWADA – 521301,
Andhra Pradesh.

BANKERS

State Bank of India,
Patamata Branch,
VIJAYAWADA – 520007,
Andhra Pradesh.

COST AUDITORS

M/s. K.S.V.Subba Rao & Associates
Cost Accountants,
411, Raghava Ratna Towers, Abids,
HYDERABAD - 500001.
Telangana

State Bank of Hyderabad,
Governorpet,
VIJAYAWADA – 520002,
Andhra Pradesh.

REGISTERED OFFICE & FACTORY

INCAP LIMITED

1-58, Nidamanuru
VIJAYAWADA – 521104.
Krishna District,
Andhra Pradesh.

REGISTRARS & SHARE TRANSFER AGENTS (PHYSICAL & DEMAT):

M/s. VENTURE CAPITAL & CORPORATE INVESTMENTS PRIVATE LIMITED

12-10-167, Bharat Nagar,
HYDERABAD – 500 018,
Telangana.

Tel : 91-866-2842479, 2842571, 2841147
Fax : 91-866-2842572
Email : vjwincap@bsnl.in
URL : www.incaplimited.com

Tel : 91-040-23818475, 476
Fax : 91-040-23868024
Email : info@vccilindia.com

NOTICE

Notice is hereby given that the **TWENTY FOURTH ANNUAL GENERAL MEETING** of **INCAP LIMITED** will be held on Saturday, the 27th September, 2014 at 12.00 Noon at the Registered Office of the Company at 1-58, Nidamanuru, Vijayawada – 521104, Andhra Pradesh to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2014 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri. P.Ram Rao (DIN : 00137511) who retires at this meeting and being eligible offers himself for re-appointment.
3. To declare dividend for the year 2013-2014.
4. To Consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

"RESOLVED THAT subject to provisions of Section 139 and 140 of the Companies Act, 2013 and pursuant to Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, M/s. Purnachandra Rao & Co., Chartered Accountants (Firm Registration Number with ICAI - 002802S) be and are hereby re-appointed as Statutory Auditors of the Company for their first terms of 5 years to hold the office from the conclusion of this Twenty Fourth Annual General

Meeting".

"RESOLVED FURTHER THAT Board of Directors of the company be and are hereby authorized to fix the remuneration including out of pocket expenses of the Statutory Auditors."

SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provisions of sections 269, 198, 311 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Members be and are hereby accorded for the re-appointment of Sri.C.Bhagavantha Rao as a "Managing Director" of the company for a period of three years with effect from 01st February, 2014 on terms and conditions including remuneration set out in the explanatory statement annexed to the notice, agreed by the company with him, submitted to the meeting and the same is hereby approved by the Board of Directors in their meeting held on 23rd January, 2014".

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

"RESOLVED THAT pursuant to the provisions of sections 269, 198, 311 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Members be and are hereby accorded for the re-appointment of Smt.C.Neelima as a "Whole-time-Director" of the company

for a period of three years with effect from 30th May, 2014 on terms and conditions including remuneration set out in the explanatory statement annexed to the notice, agreed by the company with her, submitted to the meeting and the same is hereby approved by the Board of Directors in their meeting held on 23rd January, 2014.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2014 to 26th September, 2014 (Both days inclusive) for the purpose of Annual General Body meeting for the year ended 31st March, 2014.
3. The Dividend if any declared at this meeting will be paid to those members, whose names appear in the Register of Members of the Company as on 22nd September, 2014.
4. Members, who hold share in dematerialized form, are requested to bring their client – ID and DPID Nos. for easier identification of attendance at the

meeting.

5. A member desirous of getting any information on the accounts or operations of the company is requested to forward his/her queries to the company at least seven working days prior to meeting, so that the required information can be made available at the meeting.
6. Members holding shares in physical form are requested to notify immediately any change in their address and Bank Particulars to the company or its Share Transfer Agents and in case their shares are held in dematerialized form, the information should be passed on directly to their respective Depository participants and not to the Company / Share Transfer Agents, without any delay.
7. Any request by Demat - holders for change of bank particulars, after despatch of dividend warrants should be accompanied by a copy of Client Master List showing the changed bank details.
8. In all correspondence with the Company, members are requested to quote their account / folio numbers and in case their shares are held the dematerialized form, they must quote their DP ID and Client ID Number.
9. Investors/Shareholders are requested to kindly note that if physical documents viz. Demat Request Forms (DRF) and share certificates etc., are not received from their DPs by the Registrar within a period of 15 days from the date of generation of the DRN for dematerialization, the DRN will be treated as rejected / cancelled.

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This step is being taken on the advise of National Securities Depository Limited (NSDL) so that no demat request remains pending beyond a period of 30 days. Upon rejection / cancellation of the DRN, a fresh DRF has to be forwarded along with the share certificates by the DPs to the Registrar. This note is only caution to investors/shareholders they should ensure that their DPs do not delay in sending the DRF and Share Certificates to the registrar after getting the DRN.

10. Members holding share in physical form are requested to inform their Bank Account Number and Bank branch details to the Company to enable it to include these details in the dividend warrants and thus minimize the chances of loss of dividend warrants falling in wrong hands.

11. All documents referred to the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 11-00 A.M. and 01-00 P.M. up to the date of Annual General Meeting.

12. Members are requested to send all communications relating to Shares to the Company's transfer at the following address :

M/s. Venture Capital and Corporate Investments Private Limited,

12-10-167, Bharat Nagar, Hyderabad – 500018.

Phone : 040-23818475, 476 Fax : 040-23868024

13. Members/proxies are requested to

deposit the enclosed attendance slip at the meeting.

The Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of business at item No.2, 3,4,5 and 6 is enclosed.

VOTING THROUGH ELECTRONIC MEANS :-

a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Securities Depository Limited (CSDL).

b. The instructions for e-voting are as under:
The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com during the voting period.

(ii) Click on "Shareholders" tab.

(iii) Now, select the "INCAP LIMITED" from the drop down menu and click on "SUBMIT"

(iv) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then

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enter the Captcha Code as displayed and Click on Login.

(v) 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. If you are a first time user follow the steps given below.

(vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Physical Form	For Members holding shares in Demat Form
PAN *	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB #	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account Bank or in the company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the Folio Number in the PAN field. Eg. If your name is Ramesh Kumar with Foilo Number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on <INCAP LIMITED> on which you choose to vote.

(xi) 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.

(xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.

(xiii) 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.

(xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in

PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The voting period begins on 22-09-2014 9.00 AM and ends on 24-09-2014 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 30-08-2014, 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The e-voting period commences on 22-09-2014 9.00 AM and ends on 24-09-2014 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 30-08-2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30-08-2014.

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Mr. B.L. Chandrasekhara Sarma, Practicing Company Secretary (Membership No. 8199) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.incaplimited.com in and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

12. Annual Listing fee has been paid to the where company's Securities are listed.

Bombay Stock Exchange Limited, Floor 25, P.J. Tower, Dalal Street, Mumbai – 400001.

Explanatory Statement under Section 173(2) of the Companies Act

Item No.5 :

The Board of Directors of the Company in their meeting held on 23rd January, 2014 re-appointed Sri C.Bhagavantha Rao as Managing Director of the Company, subject to approval of the share holder of the General Meeting. The terms and conditions on which Sri

C.Bhagavantha Rao has been re-appointed as a Managing Director of the Company shall contain the following remuneration which shall be within overall ceiling as specified in Schedule XIII of the Companies Act, 1956.

1. The Managing Director shall, subject to the supervision and control of the Board of Directors of the Company, manage the business and affairs of the company.
2. Period of Appointment : Three years with effect from 01.02.2014.
3. Remuneration Payable : With effect from 01.04.2014.

Salary : Rs.71,450/- per month (Rupees Seventy one thousand four hundred and fifty only).

Perquisites :

PART - A :

1. Housing :-
 - a. Housing - I : The expenditure by the company on hiring unfurnished accommodations will be subject to a ceiling of 25% of salary, over and above 10% payable by Sri. C.Bhagavantha Rao.
 - b. Housing - II : In case accommodation is owned by the company. 10% of the salary of Sri C.Bhagavantha Rao shall be deducted by the company.
 - c. Housing - III : In case no accommodation is provided by the company, Sri C.Bhagavantha Rao shall be entitled to house rent allowance subject to the ceiling laid down in Housing - I.

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The expenditure incurred on gas, electricity, water and furnishing will be as per the Income Tax Rules, 1962. This will however be subject to a ceiling of Rs.5,000/- per month.

2. Medical reimbursement : Expenses incurred for self and family subject to a ceiling of one month's salary in year or 3 month's salary over a period of 3 years.
3. Leave Travel Concession : For self and family once in a year in accordance with any rules specified by the company.
4. Club Fees : Fees of clubs subject to a maximum of one club, admission and life membership fees not being allowed.
5. Personnel Accident Insurance : Premium not to exceed Rs.1000/- per month.
6. Entertainment Expenses : Reimbursement of entertainment expenses not exceeding Rs.1000/- per month.

PART - B :

Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax, 1961. Gratuity will be limited to half-a-month's salary for each completed year of service.

PART - C :

Provision of car with driver and telephone at residence. Personal long distance call on telephone and use of car for private purpose shall be billed by the company

to Sri C.Bhagavantha Rao.

Provided that if any financial year, during the tenure of the Managing Director, the company has no profits or its profits are inadequate, it may pay Sri C.Bhagavantha Rao remuneration by way of salary and perquisites not exceeding the limits specified above.

Your directors recommended the resolution for approval.

None of the Directors of the Company except Sri C.Bhagavantha Rao is concerned with or interested in the resolution.

Item No. 6 :

The Board of Directors of the company in their meeting held on 23rd January, 2014 appointed Smt. C.Neelima as a Whole-time-Director of the company, subject to approval of the share holders of the General Meeting. The terms and conditions on which Smt. C.Neelima has been appointed as the Director of the company shall contain the following remuneration which shall be within overall ceiling as specified in Schedule XIII of the Companies Act, 1956.

1. The Whole-time-Director shall, subject to the supervision and control of the Board of Directors of the company / Managing Director of the company and shall manage the business and affairs of the company.
2. Period of appointment : Three years with effect from 30.05.2014.
3. Remuneration payable : With effect from

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30.05.2014.

Salary : Rs.48,000/- per month.

(Rupees Forty Eight thousand only)

H.R.A : Rs.20,000/-per month.

Conveyance : Rs.12,000/-per month.

4. Contribution to Provident Fund, Super annuation and Annuity Fund : The Companies contribution to provident fund and superannuation or Annuity fund as per rules of the company applicable to Senior Executives.

5. Gratuity : As per the rules of the company applicable to Senior Executives.

Explanation : Perquisites shall be evaluated as per the Income Tax Rules, 1962 where applicable and in the absence of any such rules, perquisites shall be evaluated at cost.

AMENITIES :

1. Minimum Remuneration : In the event of loss or indecency of profits in any financial year during the current tenure of service of the Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under section 11 of the Part II of Schedule XIII of the Companies, Act, 1956 including any statutory modification or re-enactment there of as may for the time being in force.

The draft of the Agreement to be executed between Smt. C.Neelima and the company as approved by the Board of Directors is available for inspection by the members at the Registered office of the company on any working day except

holidays observed by the company during usual business hours and will also be available at the meeting.

Smt. C.Neelima may be deemed to the concerned or interest in the resolution in her appointment. No other Director of the company is interest in the resolution.

By Order of the Board
For INCAP LIMITED

VIJAYAWADA
31th July, 2014

C.BHAGAVANTHA RAO
MANAGING DIRECTOR
DIN : 00218713

**DIRECTORS RETIRING BY ROTATION SEEKING RE-ELECTION AND APPOINTMENT OF
DIRECTORS AT THIS ANNUAL GENERAL MEETING:**

Particulars	Sri.Paturu Ram Rao (DIN : 00137511)
Date of Birth	28 th June, 1948
Appointed on	25/07/2009
Qualification	B.Tech.
Experience in specific functional areas	Industrialist with rich business experience
Directorships held in other Public companies (excluding foreign and private companies)	NIL
Memberships/ Chairmanships of Audit Committees and Investors' Grievance Committees across public companies	NIL
Shareholding	9.95% (5,10,933 Equity Shares)