

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of Nelcast Limited, will be held on Monday, the 30th July 2012 at 11.00 AM at P.V.R. Kalyanamandapam, Near R.T.C. Bus Stand, Gudur - 524 101, Andhra Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March 2012, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend for the Financial Year 2011-12.
3. To appoint a Director in place of Mr. R. Mohan Reddy who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. A. Balasubramanian who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. J.B. REDDY & CO., Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. R. Sridharan who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30th January 2012 and who holds office up to the date of the forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."
7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Ms. P. Divya who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30th January 2012 and who holds office up to the date of the forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act, proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company not liable to retire by rotation."

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

"RESOLVED THAT Mr. P. Deepak who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30th January 2012 and who holds office upto the date of the forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company not liable to retire by rotation."

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

“RESOLVED THAT pursuant to Sections 198, 269, 309, 310, 311, 316, Schedule XIII and all other applicable provisions of the Companies Act, 1956, if any and subject to such approvals as may be required, including from Central Government, the consent of the Company be and is hereby accorded to the appointment of Ms. P. Divya as “Director – IT & Strategy” of the Company for a period of three years from 30th January 2012 to 29th January 2015 and for the payment of remuneration, allowances and perquisites as detailed below and as approved at the meeting of the Board of Directors and recommended by the Remuneration Committee.”

Period : 3 Years from 30.01.2012 to 29.01.2015.

Salary : Basic Salary of Rs.2,00,000/- per month.

Special Allowance of Rs.1,00,000/- per month.

Perquisites:

- (i) Housing:

Either

Free furnished residential accommodation, owned or leased out by the Company.

Or

House Rent Allowance subject to a ceiling of 50% of the Basic Salary.

- (ii) Medical Expenses for Self & Family both in India & Outside India.
- (iii) Leave Travel Concession: Leave Travel Concession once in a year, incurred in accordance with the rules of the Company.
- (iv) Personal Accident Insurance: Personal accident insurance premium shall not exceed Rs.10,000/-.
- (v) Contribution to funds: Company's contribution towards Provident Fund and Superannuation Fund will be as per the scheme of the Company. Gratuity as per the rules of the company, not exceeding half a month's salary for each completed year of service.
- (vi) Earned Leave: On full pay and allowances as per rules of the company, but not exceeding half a month's salary per year.
- (vii) Car shall be provided for use on company's business and telephone at residence.
- (viii) Fees of Club allowed for one club.

A special incentive of Rs.18 Lakhs per annum shall also be paid.

Increment of not more than 25% per annum over the previous year.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year, the Director shall be paid a minimum remuneration as specified above.

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

"RESOLVED THAT pursuant to Sections 198, 269, 309, 310, 311, 316, Schedule XIII and all other applicable provisions of the Companies Act, 1956, if any and subject to such approvals as may be required, including from Central Government, the consent of the Company be and is hereby accorded to the appointment of Mr. P. Deepak as Managing Director of the Company for a period of three years from 1st July 2012 to 30th June 2015 and for the payment of remuneration, allowances and perquisites as detailed below and as approved at the meeting of the Board of Directors and recommended by the Remuneration Committee."

Period : 3 Years from 01.07.2012 to 30.06.2015.

Salary : Basic Salary of Rs.3,50,000/- per month.

Special Allowance of Rs.1,00,000/- per month.

Perquisites:

- (i) Housing:
Free furnished residential accommodation, owned or leased out by the Company or House Rent Allowance subject to a ceiling of 50% of the Basic Salary.
- (ii) Medical Expenses for Self & Family both in India & outside India, including medical insurance premium.
- (iii) Personal Accident Insurance: Personal accident insurance premium shall not exceed Rs.10,000/- per annum.
- (iv) Contribution to funds: Company's contribution towards Provident Fund and Superannuation Fund will be as per the scheme of the Company. Gratuity as per the rules of the company, not exceeding half a month's salary for each completed year of service.
- (v) Earned Leave: On full pay and allowances as per rules of the company, but not exceeding half a month's salary per year.
- (vi) Car shall be provided for use on company's business and telephone at residence for business purpose.
- (vii) Payment of fees, subscription and other incidental charges to clubs.
A special incentive of Rs.30 Lakhs per annum shall also be paid.
Annual Increments as may be decided by the board from time to time.
Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year, the Managing Director shall be paid a minimum remuneration as specified above.

By Order of the Board

S.K. Sivakumar

*Chief Financial Officer &
Company Secretary*

Place : Chennai

Date : 23rd May 2012

Registered Office

No.34, Industrial Estate,
Gudur, Andhra Pradesh - 524 101

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Sundays, between 11 AM and 1 PM up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from 21st July 2012 to 27th July 2012 (both days inclusive).
9. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, M/s. Bigshare Services Pvt. Ltd., Mumbai, immediately of:
 - (a) The change in the residential status on return to India for permanent settlement.
 - (b) The particulars of the Bank Account maintained in India with complete Name, Branch, Account Type, Account Number and Address of Bank with Pin Code Number, if not furnished earlier.

10. Re-Appointment of Directors:

At the forthcoming Annual General Meeting, Mr. R. Mohan Reddy and Mr. A. Balasubramanian retire by rotation and being eligible offer themselves for re-appointment. As per the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the information or details pertaining to them is furnished below:

**Details of Directors seeking Re-Appointment at the Annual General Meeting
(In pursuance to clause 49 of the Listing Agreement)**

Mr. R. Mohan Reddy aged about 73 years is a Non-Executive Independent Director of the Company. He holds a Bachelor Degree in Engineering and has completed his Masters in Business Management from Osmania University. He was a General Manager in Andhra Pradesh Industrial Development Corporation, in charge of project appraisals, revival of sick units, monitoring assisted units etc., He was also the Managing Director of Hyderabad Allwyn Limited.

Details of other Directorships/Committee Memberships held by him:

Directorship	Committee Membership
Lokesh Machines Ltd.	Audit Committee Shareholder's Grievance Committee

Mr. A. Balasubramanian, aged about 63 years is a Non-Executive Independent Director of the Company. He holds a Bachelor Degree in Science and a Chartered Accountant. He has about 35 years of experience in the areas of Banking, Finance and Management. He worked in Punjab National Bank for about 30 years at various capacities and retired as Chief General Manager. Earlier to that he worked in Tata Group of Companies for about 4 years.

Details of other Directorships/Committee Memberships held by him:

Directorship	Committee Membership
Butterfly Gandhimathi Appliances Ltd.	Nil
Bedmutha Industries Ltd.	Audit Committee Remuneration Committee

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM No. 6

The Board of Directors of the Company at their Meeting held on 30th January 2012, appointed Mr. R. Sridharan as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956, he holds office till the ensuing Annual General Meeting. It is proposed to appoint him as a Director of the Company liable to retire by rotation for which Notice has been received from a Member under Section 257 of the Companies Act, 1956. Brief profile of the proposed appointee is given below:

In terms of Clause 49 (IV)(G) of the Listing Agreement, shareholders may also note as under:

Mr. R. Sridharan aged about 61 years, graduate from Madras University. He started his carrier with State Bank of India as a Probationary Officer in 1972, and has held a variety of critical and challenging assignments in the Bank, both in India and abroad. He served as the Managing Director & Group Executive (Associates & Subsidiaries) of State Bank of India (SBI), from 5th December 2008 to 30th June 2011. Mr. R. Sridharan has served as Advisor to the Ministry of Finance, Government of India, New Delhi. He brings with him a rich combination of knowledge and experience.

Details of other Directorships/Committee Memberships held by him:

Directorship	Committee Membership
Security and Intelligence Services (India) Ltd.	Nil

The Board of Directors of your Company recommends the resolution for approval.

Memorandum of Interest:

None of the Directors of the Company is in any way concerned or interested in the above resolution, except Mr. R. Sridharan.

ITEM No. 7

The Board of Directors of the Company at their Meeting held on 30th January 2012, appointed Ms. P. Divya as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956, she holds office till the ensuing Annual General Meeting. It is proposed to appoint her as "Director – IT & Strategy" of the Company not liable to retire by rotation for which Notice has been received from a Member under Section 257 of the Companies Act, 1956. Brief profile of the proposed appointee is given below:

In terms of Clause 49 (IV)(G) of the Listing Agreement, shareholders may also note as under:

Ms. P. Divya aged about 28 years, holds an MS in Networked Information Systems from Stevens Institute of Technology, USA and has since worked at Deutsche Bank, USA holding various roles in Global Technology & Operations – most recently Global Head of four departments, and mainly specializing in Change Management & Governance.

Details of other Directorships/Committee Memberships held by her:

Directorship	Committee Membership
Nil	Nil

The Board of Directors of your Company recommends the resolution for approval.

Memorandum of Interest:

None of the Directors of the Company is in any way concerned or interested in the above resolution, except Ms. P. Divya, Director and Mr. P. Deepak, Director who are related to each other.

ITEM No. 8

The Board of Directors of the Company at their Meeting held on 30th January 2012, appointed Mr. P. Deepak as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956, he holds office till the ensuing Annual General Meeting. It is proposed to appoint him as a Director of the Company not liable to retire by rotation for which Notice has been received from a Member under Section 257 of the Companies Act, 1956. Brief profile of the proposed appointee is given below:

In terms of Clause 49 (IV)(G) of the Listing Agreement, shareholders may also note as under:

Mr. P. Deepak aged about 27 years, holds a BS in Manufacturing and Design Engineering and a BS in Materials Science and Engineering both from Northwestern University, USA and has done his MBA at Kellogg School of Management, USA. Mr. P. Deepak has over 4 years of industrial experience in different areas including work experience at M/s. Federal-Mogul Corp., USA as a Manufacturing Engineer.

Details of other Directorships/Committee Memberships held by him:

Directorship	Committee Membership
NC Energy Ltd.	Nil
Ponnas Infrastructure Pvt. Ltd.	Nil

The Board of Directors of your Company recommends the resolution for approval.

Memorandum of Interest:

None of the Directors of the Company is in any way concerned or interested in the above resolution, except Mr. P. Deepak, Director and Ms. P. Divya, Director who are related to each other.

ITEM No. 9

The Board of Directors of the Company at their Meeting held on 30th January 2012, have appointed Ms. P. Divya, as “Director – IT & Strategy” of the Company for a period of three years with effect from 30th January 2012.

In terms of the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 the appointment of Whole-time Director is subject to the approval of members at the General Meeting of Company. In light of the said provisions, you are requested to accord your approval to the appointment of Ms. P. Divya as “Director – IT & Strategy”.



In terms of Clause 49 (IV)(G) of the Listing Agreement, shareholders may also note as under:

As given in the Explanatory Statement in Item No.7.

The Board of Directors of your Company recommends the resolution for approval.

Memorandum of Interest:

None of the Directors of the Company is in any way concerned or interested in the above resolution, except Ms. P. Divya, Director and Mr. P. Deepak, Director who are related to each other.

ITEM No. 10

The Board of Directors of the Company at their Meeting held on 23rd May 2012, have appointed Mr. P. Deepak, as Managing Director of the Company for a period of three years with effect from 1st July 2012.

In terms of the provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 the appointment of Managing Director is subject to the approval of members at the General Meeting of Company. In light of the said provisions, you are requested to accord your approval to the appointment of Mr. P. Deepak as Managing Director.

In terms of Clause 49 (IV)(G) of the Listing Agreement, shareholders may also note as under:

As given in the Explanatory Statement in Item No.8.

The Board of Directors of your Company recommends the resolution for approval.

Memorandum of Interest:

None of the Directors of the Company is in any way concerned or interested in the above resolution, except Mr. P. Deepak, Director and Ms. P. Divya, Director who are related to each other.

This may be treated as an abstract of appointment and remuneration payable to Mr. P. Deepak, Managing Director, pursuant to Section 302 of the Companies Act, 1956.

By Order of the Board

S.K. Sivakumar

*Chief Financial Officer &
Company Secretary*

Place : Chennai

Date : 23rd May 2012

Registered Office

No.34, Industrial Estate,
Gudur, Andhra Pradesh - 524 101

BOARD OF DIRECTORS

D. SESHA REDDY

Chairman

P. DEEPAK

Managing Director

R. MOHAN REDDY

Director

A. BALASUBRAMANIAN

Director

R. SRIDHARAN

Director

P. DIVYA

Director

P. VIJAYA BHASKAR REDDY

Deputy Managing Director

S.K. SIVAKUMAR

*Chief Financial Officer &
Company Secretary*

AUDITORS

J.B. REDDY & CO.,
206, Srinilaya Estate, Ameerpet
Hyderabad - 500 073

BANKERS

State Bank of India
IDBI Bank Ltd.
Kotak Mahindra Bank Ltd.

REGISTERED OFFICE & WORKS

34, Industrial Estate, Gudur - 524 101

PONNERI WORKS

Madhavaram Village
Ponneri (Taluk), Tiruvallur District
Tamil Nadu - 601 204

ADMINISTRATIVE OFFICE

159, T.T.K. Road, Alwarpet, Chennai - 600 018
Phone: 044 - 2498 3111, Fax : 044 - 2498 2111
E-Mail : nelcast@nelcast.com Website: www.nelcast.com



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