

## NOTICE TO SHAREHOLDERS

Notice is hereby given that the **Thirty Fifth** Annual General Meeting of the Members of Nelcast Limited will be held on Thursday, the 3<sup>rd</sup> day of August 2017 at 11.00 AM at P.V.R. Kalyanamandapam, Near R.T.C. Bus Stand, Gudur-524101, Andhra Pradesh to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2017, 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 a Dividend for the financial year 2016-17.
3. To appoint a Director in the place of Mr. P. Vijaya Bhaskar Reddy (holding DIN: 00020592), who retires by rotation and being eligible offers himself for re-appointment.
4. 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 pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s. K. NAGARAJU & ASSOCIATES, Chartered Accountants (Firm Registration No.002270S), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and rule 4 of the rules, be and are hereby appointed as Statutory Auditors of the company, in place of M/s. REDDY A V & CO, Chartered Accountants (Firm Registration No. 003256S), the retiring auditors for a term of five years from the conclusion of 35<sup>th</sup> Annual General Meeting until the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in 2022 subject to ratification of the appointment at every Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

### 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 Section 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to any other approval as may be required, the consent of the Company be and is hereby accorded to the re-appointment of Mr. P. Vijaya Bhaskar Reddy (holding DIN: 00020592) as Deputy Managing Director of the Company for a period of five years from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2022 and for the payment of his remuneration, allowances and perquisites as detailed below and as approved at the meeting of the Board of Directors and recommended by the Nomination & Remuneration Committee.”

Period	:	5 Years from 01.04.2017 to 31.03.2022.
Salary	:	Basic Salary of ₹ 3,27,000/- per month Special Allowance of ₹ 50,000/- 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 Reimbursement: Reimbursement of expenses incurred for self and family including premium for medical insurance.
- (iii) Personal Accident Insurance: Personal Accident insurance premium shall not exceed ₹ 10000/- 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) Car shall be provided for use on company's business and telephone at residence for business purpose.
- (vi) Fees of Club allowed for one Club.

A special incentive of Rupees Twenty Four lakhs per annum shall also be paid.

Increment of not more than 20% per annum may be paid during his tenure.

Termination: The contract of service with the Dy. Managing Director can be terminated by either party by giving three calendar months notice.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year, the Dy. Managing Director shall be paid a minimum remuneration as specified above and same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.

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 Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of remuneration of ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand Only) (apart from re-imbursement of out-of-pocket expenses if any) to M/s.Jayaram & Associates, Cost Auditors for conducting the cost audit of the Company for the financial year ending 31<sup>st</sup> March 2018, be and is hereby approved and ratified."

Place: Chennai

Date : 24<sup>th</sup> May 2017

**Registered Office**

No. 34, Industrial Estate,  
Gudur, Andhra Pradesh - 524 101.  
CIN: L27109AP1982PLC003518

**By Order of the Board**

**S.K. Sivakumar**  
Head-Group Finance &  
Company Secretary

## 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 INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY(S) NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The final dividend of ₹ 0.90 per share has been recommended by the Board of Directors for the year ended 31<sup>st</sup> March 2017, which is subject to the approval of the shareholders at the ensuing Annual General Meeting.
4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. The Company has notified closure of Register of Members and Share Transfer Books from 29<sup>th</sup> July 2017 to 3<sup>rd</sup> August 2017 (both days inclusive).
6. The proxy form duly completed should be deposited at the Registered Office of the Company/ Office of the Share Transfer Agent not later than 48 hours before the commencement of the meeting.
7. Electronic copy of the Annual Report and the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.
8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
9. Members are requested to update their preferred e-mail ids with the Depository Participants / Company's Registrar and Transfer Agents, which will be used for the purpose of sending the official documents through e-mail in future. The RTA address is given below:

M/s. Bigshare Services Pvt. Ltd.  
 1<sup>st</sup> Floor, Bharat Tin Works Building,  
 Opp. Vasant Oasis, Makwana Road, Marol,  
 Andheri (East), Mumbai - 400059  
 Ph: 022-62638200 Fax: 022-62638299  
 E-mail: investor@bigshareonline.com

10. Corporate Members / FIIs / Financial Institutions intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of the Board Resolution / such other documents authorising their representatives to attend and vote at the Annual General Meeting well in advance.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
13. 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.
14. Pursuant to the provisions of Section 124 read with Section 125 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) the amount of dividend remaining unpaid for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Members who have not encashed their dividend are requested to contact the Company's Registrar and Share Transfer Agent for payment in respect of the unclaimed dividend. The amount so transferred cannot be claimed from the Company.
15. Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the company is providing / hosting the required details of unclaimed amount referred to under section 124 of the Companies Act, 2013 on its website and also on the website of the ministry of Corporate Affairs (MCA) viz., [www.iepf.gov.in](http://www.iepf.gov.in).
16. Members may also note that the Notice of the 35<sup>th</sup> Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website [www.nelcast.com](http://www.nelcast.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.

#### 17. **Re-Appointment of Directors:**

At the forthcoming Annual General Meeting, Mr. P. Vijaya Bhaskar Reddy, Director retires by rotation and being eligible offers him-self for re-appointment, information or details pertaining to his appointment is furnished.

**Details of Director seeking Re-Appointment at the Annual General Meeting  
(Pursuant to Regulation 36(3) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

Mr. P. Vijaya Bhaskar Reddy aged about 61 years has been with the Company since its inception and grown in the ranks to become Dy. Managing Director. He is a graduate in Law and a Member of the Institute of Chartered Accountants of India. Previously he was employed with M/s. Pennar Steels Limited as Accounts Officer. He has around 36 years of experience in finance and accounts and also in business management.

#### **Details of other Directorships/Committee Memberships held by him:**

<b>Directorship</b>	<b>Committee Membership</b>
NC Energy Limited	Nomination & Remuneration Committee Audit Committee
Ponnas Infrastructure Private Limited	Nil

#### 18. **Voting through electronic means:**

- In compliance with provisions of Section 108 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to offer e-Voting facility to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-Voting to enable the Shareholders to cast their votes electronically.
- Mr. P. R. Lakshmi Narayanan, Practising Company Secretary, Chennai has been appointed as the Scrutinizer for conducting the e-Voting Process / Postal Ballot Process in a fair and transparent manner.

The instructions for Shareholders on e-Voting are as under:

**A. In case of Shareholders' receiving e-mail from NSDL:**

- i. Open e-mail and open PDF file viz., "Nelcast e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-Voting. Please note that the password is an initial password.
- ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- iii. Click on Shareholder - Login.
- iv. Enter the user id and password as initial password noted in step (i) above. Click Login.
- v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-Voting opens. Click on e-Voting: Active e-Voting Cycles.
- vii. Select "EVEN" of Nelcast Ltd.
- viii. Now you are ready for e-Voting as Cast Vote Page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once you have voted on the resolutions, you will not be allowed to modify your vote.
- xii. For the votes to be considered valid, then institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution / Authority Letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [scrutinizernelcast@gmail.com](mailto:scrutinizernelcast@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**B. In case of Shareholders' receiving the physical copy of the Notice of AGM:**

- i. Initial password is provided as below at the bottom of the Postal Ballot Form.

EVEN	USER ID	PASSWORD/PIN

- ii. Please follow all steps from S. No. (ii) to S. No. (xii) above, to cast vote.

**C. In case of any queries with respect to e-Voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)**

**D. If you are already registered with NSDL for e-Voting then you can use your existing User ID and Password / PIN for casting your vote.**

- E. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s). Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
- F. The e-Voting period for e-Voting module commences on 31<sup>st</sup> July 2017 @ 9.00 AM and ends on 2<sup>nd</sup> August 2017 @ 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) of 27<sup>th</sup> July 2017, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once, the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- G. 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 (record date) of 27<sup>th</sup> July 2017.
- H. Member who has already exercised their voting through Remote e-Voting can attend the Annual General Meeting but cannot vote again.
- I. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 27<sup>th</sup> July 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Toll Free no.: 1800-222-990.
- J. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e Voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- K. The Results declared along with the Scrutinizer's Report shall be placed on the Company's Website [www.nelcast.com](http://www.nelcast.com) and on the website of NSDL within 2 days of passing of the Resolutions at the 35<sup>th</sup> AGM of the company and communicated to the stock exchanges where the shares of the Company are listed.

## **ANNEXURE TO THE NOTICE**

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

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 5 and 6 of the accompanying Notice dated 24<sup>th</sup> May 2017.

#### **Item No. 5**

Mr. P. Vijaya Bhaskar Reddy, Dy. Managing Director has been holding office since 1<sup>st</sup> April 2014 and in terms of his appointment, it expired on 31<sup>st</sup> March 2017.

The Remuneration Committee at its meeting held on 12<sup>th</sup> February 2017 and the Board of Directors at its meeting held on 13<sup>th</sup> February 2017 has re-appointed Mr. P. Vijaya Bhaskar Reddy as Dy. Managing Director for a further period of five years with effect from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2022.

The approval of the members is being sought for the re-appointment of Mr. P. Vijaya Bhaskar Reddy as the Dy. Managing Director of the Company for a period of five years effective from 1<sup>st</sup> April 2017.

Further the members are requested to note that the reappointment of Mr. P. Vijaya Bhaskar Reddy as the Dy. Managing Director is in compliance with the sections 196, 197, 203 and the Rules made thereunder read with Schedule V of the Companies Act, 2013 and other relevant and applicable provisions if any of the Companies Act, 2013 and 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 reappointment of Mr. P. Vijaya Bhaskar Reddy as Dy. Managing Director on the above terms and conditions.

#### **Minimum Remuneration:**

Notwithstanding anything herein contained, where in any financial year during the period of his office as Dy. Managing Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. P. Vijaya Bhaskar Reddy remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V of the Companies Act, 2013 as may be agreed to by the Board of Directors and Mr. P. Vijaya Bhaskar Reddy.

Mr. P. Vijaya Bhaskar Reddy aged about 61 years has been with the Company since its inception and grown in the ranks to become Dy. Managing Director. He is a graduate in Law and a Member of the Institute of Chartered Accountants of India. Previously he was employed with M/s. Pennar Steels Limited as Accounts Officer. He has around 36 years of experience in finance, accounts and also in business management. He is member of the Audit Committee and Stakeholders Relationship Committee of the Company.

Mr. P. Vijaya Bhaskar Reddy holds 10,00,000 shares in the Company. Details of other Directorships/ Committee Memberships held by him.



**Details of other Directorships/Committee Memberships held by him:**

<b>Directorship</b>	<b>Committee Membership</b>
NC Energy Limited	Nomination & Remuneration Committee Audit Committee
Ponnas Infrastructure Private Limited	Nil

Copy of the Agreement referred to in the Resolution would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board recommends Ordinary Resolution set out at item No. 5 of the accompanying Notice for the approval of the Members.

The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms and conditions governing the appointment and remuneration and memorandum of interest pursuant to Section 190 of the Companies Act, 2013.

**Memorandum of Interest:**

Except Mr. P. Vijaya Bhaskar Reddy, being an appointee, no other Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the above resolution.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Listing Obligation with the Stock Exchanges.

**Item No. 6:**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors amounting to ₹ 1,20,000/- per annum, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2018.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be ratified by the Shareholders of the Company and hence the Resolution.

The Board of Directors recommends the resolution for your approval as set out under Item No. 6.

None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the above resolution.

Place: Chennai

Date : 24<sup>th</sup> May 2017

**Registered Office**

No. 34, Industrial Estate,  
Gudur, Andhra Pradesh - 524 101.  
CIN: L27109AP1982PLC003518

**By Order of the Board**

**S.K. Sivakumar**  
Head-Group Finance &  
Company Secretary

# ROUTE MAP TO AGM VENUE

AGM VENUE:  
P.V.R. KALYANA MANDAPAM,  
NEAR R.T.C. BUS STAND,  
GUDUR - 524 101,  
ANDHRA PRADESH



RTC BUS STAND

HDFC BANK

SAIBABA TEMPLE

TOWARDS GUDUR RAILWAY STATION &  
GUDUR TOWN

GUDUR JUNCTION

NELLORE, VIJAYAWADA

NH - 16

CHENNAI

(Map not to scale)