

**PROCEEDINGS OF THE 42<sup>nd</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF JAYASWAL NECO INDUSTRIES LIMITED HELD ON TUESDAY, THE 29<sup>th</sup> DAY OF SEPTEMBER, 2015 AT 12.30 P. M. AT THE REGISTERED OFFICE OF THE COMPANY AT F-8 MIDC INDUSTRIAL AREA, HINGNA ROAD, NAGPUR – 440016, MAHARASHTRA.**

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**PRESENT:**

- |    |                      |  |
|----|----------------------|--|
| 1. | Shri Basantlall Shaw | Chairman   |
| 2. | Shri Arbind Jayaswal | Managing Director  |
| 3. | Shri Ramesh Jayaswal | Joint Managing Director  |
| 4. | Shri P. K. Bhardwaj  | Executive Director & CFO   |
| 5. | Shri B. K. Agrawal   | Independent Director (Chairman Audit Committee & Share Transfer Cum Stakeholders Relationship Committee) |

**IN ATTENDANCE**

Shri Ashutosh Mishra                      Company Secretary

**INVITEES**

Shri Rajendra Koria	Statutory Auditors
Smt. Shailja Vibhute	Statutory Auditors
Smt. Rachana Daga	Secretarial Auditor

No. of Members Present in Person:                      33

No. of Members present through Proxy                      Nil

1. At 12.30 p.m. the Chairman welcomed the Members to the 42<sup>nd</sup> Annual General Meeting of the Company. After ascertaining that the quorum for the meeting was present, the Chairman called the meeting to order and open for the proceedings.
2. The Chairman informed the members present that Shri M.P. Singh, Shri D.K. Sahni, Smt Raji Nathani, Shri P.K. Das, Shri S.N. Singh, Shri Arvind Iyer, Directors and Shri M.M. Vyas, Director and Chairman Nomination and Remuneration Committee could not attend this meeting due to certain pre-assignments.
3. The Chairman apprised the members that no proxy has been received from any member.
4. The Chairman informed the members that the Register of Directors' Shareholding, Secretarial Audit Report and Auditors' Report for the Financial Year 2014-15 and all other documents as specified in the Notice convening this meeting for being available for inspection of members are open for inspection of the members.





5. With the consent of the members present, notice convening the meeting was taken as read.
6. The Chairman requested Shri Ashutosh Mishra, Company Secretary, to read out the Auditor's Report 2014-15 to the members. The Secretary read the Auditor's Report dated 29<sup>th</sup> May, 2015.
7. Shri P.K. Bhardwaj, Executive Director & CFO of the Company briefed the members on the working and financial results of the Company during the year under review i.e. 2014-15. He apprised the members with the comparative performance both at Steel Plant Division and Foundry Division during 2013-14 and 2014-15. He also briefed the members with the comparative performance of the Company as a whole during 2013-14 and 2014-15. Members were also apprised with the performance of the Company during the quarter ended 30<sup>th</sup> June, 2015 vis-à-vis the corresponding quarter of the previous year. Shri P.K. Bhardwaj also shared with the members the business challenges which the Company is facing. Thereafter the Chairman invited the members for queries, if any on the financial results of the Company for the year 2014-15.
8. With the permission of the Chairman, Shri Ashutosh Mishra, informed the Shareholders that as per provision of Clause 35B of the Listing Agreement and Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Members had been provided with the facility to cast their vote on the resolutions proposed to be passed in this Annual General Meeting (AGM) by electronic means ('remote e-voting') or by ballot at the AGM .He also informed the members that the e-voting facility was kept open from Friday, 25<sup>th</sup> September, 2015 (from 9.00 a.m.) to Monday, 28<sup>th</sup> September, 2015 (till 5.00 p.m.). Thereafter he briefed the members present in connection with the appointment of, Shri Shantanu Jog, Practicing Company Secretary, Proprietor M/s Shantanu Jog & Associates, Company Secretaries, Nagpur, as Scrutinizer to scrutinize the voting process (both e-voting and ballot) and to submit his report on the voting by 1<sup>st</sup> October, 2015 to facilitate the declaration of result on the voting by the Chairman on that very day.
9. Chairman apprised the members present:
  - i. That, Shri Shantanu Jog is present in the meeting and is available for the purpose for which he has been appointed.
  - ii. That all those Members of the Company who have not voted through 'remote e-voting' facility and attending this Annual General Meeting either personally or through proxy have been provided the facility to vote through ballot at the AGM.
  - iii. That the scrutinizer will first count the votes cast at the meeting through Ballot and 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 shall make his consolidated report on the voting to the Chairman for the declaration of result of the voting.





- iv. That all the proposed resolution at the AGM, will be first explained and read out and thereafter it will be put for voting by the members through ballot.
  - v. That the members may offer comments and seek clarifications, if any on the resolutions contained in the notice once they are taken up for consideration.
10. Thereafter the Chairman with the permission of the members took up the agenda items as per the notice as follows:

**BUSINESS AS PER NOTICE**

**ORDINARY BUSINESS**

**Agenda Item No. 1**

1. a) ADOPTION OF AUDITED FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON: (ORDINARY RESOLUTION)

Chairman informed that the first item of the agenda is Item No. 1 (a) of the Notice which is an Ordinary Resolution and pertains to the adoption of Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2015 together with reports of the Board of Directors and Auditors thereon. He then requested Shri Milind Rao to read out the resolution related to item No. 1 (a) of the Notice which is as follows:

**“Resolved That** the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2015 together with the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted.”

The Chairman then invited members to offer comments and seek clarifications, if any on the proposed resolution. Since there were no comments, Chairman proceeded towards next item

1. b) ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015 AND THE REPORT OF THE AUDITORS THEREON: (ORDINARY RESOLUTION)

Chairman informed the Members that the next item is the Item No. 1 (b) of the Notice, which is an Ordinary Resolution and relates to the adoption of Consolidated Financial Statement for the financial year ended 31<sup>st</sup> March, 2015 along with Auditors' Report thereon He requested Shri Milind Rao to read the resolution related to Item No. 1 (b) of the Notice which is as follows:

**“Resolved That** the Audited Consolidated Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2015 and the report of the Auditors thereon be and are hereby considered and adopted.”

The Chairman then invited members to offer comments and seek clarification on the proposed resolution. Since there were no comments, he proceeded towards next item.





**Agenda Item No. 2**

**2. a) RE-APPOINTMENT OF SHRI ARBIND JAYASWAL (DIN: 00249864) AS THE ROTATIONAL DIRECTOR: (ORDINARY RESOLUTION)**

Chairman apprised the members that the next Item No. 2 (a) of the Notice, is an Ordinary Resolution and relates to the re-appointment of Shri Arbind Jayaswal as a Director, who retires by rotation in this meeting and is eligible for re-appointment. He then requested Shri Milind Rao to read the resolution related to Item No. 2 (a) of the Notice, which is as follows:

**“Resolved That** Shri Arbind Jayaswal, who retires by rotation in this meeting and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation.”

The Chairman then invited members to offer comments and seek clarification on the proposed resolution. Since there were no Comments, Chairman proceeded for the next item.

**2. b) RE-APPOINTMENT OF SHRI RAMESH JAYASWAL (DIN: 00249947) AS THE ROTATIONAL DIRECTOR: (ORDINARY RESOLUTION)**

Chairman Informed that the next Item No. 2 (b) of the Notice is an Ordinary Resolution and pertains to the re-appointment of Shri Ramesh Jayaswal as a Director, who retires by rotation in this meeting and is eligible for re-appointment. He then requested Shri Milind Rao to read the resolution pertaining to the Item No. 2 (b) of the Notice, which is as follows:

**“Resolved That** Shri Ramesh Jayaswal, who retires by rotation in this meeting and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation.”

The Chairman then invited members to offer comments and seek clarification on the proposed resolution. Since there were no comments, he proceeded towards next item on Agenda.

**Agenda Item No. 3**

**3. i) RATIFICATION OF THE APPOINTMENT OF M/s. CHATURVEDI & SHAH, CHARTERED ACCOUNTANT AS THE AUDITOR OF THE COMPANY AND FIXATION OF THEIR REMUNERATION: (ORDINARY RESOLUTION)**

Chairman informed the Members that the next Item No. 3 (i) of the Notice is an Ordinary Resolution and relates to the ratification of the appointment of M/s. Chaturvedi & Shah, Chartered Accountants, as the Auditors of the Company to hold such office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and fixation of their remuneration. He requested Shri Milind Rao to read the resolution as set out in Item No. 3(i) of the Notice, which is as follows:

**“Resolved That,** pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to recommendation of Audit Committee of the Board of Directors, the





appointment of M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai (Registration No. 101720W), as the Auditors of the Company be and is hereby ratified to hold such office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

The Chairman then invited members for comments and clarification on the proposed resolution. Since there were no comments, the Chairman proceeded for the next item.

**3. ii) RATIFICATION OF THE APPOINTMENT OF M/s. AGRAWAL CHHALLANI & CO., CHARTERED ACCOUNTANT AS THE AUDITOR OF THE COMPANY AND FIXATION OF THEIR REMUNERATION: (ORDINARY RESOLUTION)**

Chairman apprised the Members that the next Item No. 3 (ii) of the Notice is an Ordinary Resolution and relates to the ratification of the appointment of M/s. Agrawal Chhallani & Co., Chartered Accountants, as the Auditors of the Company to hold such office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and fixation of their remuneration. He then requested Shri Milind Rao to read the resolution as set out in Item No. 3(ii) of the Notice, which is as follows:

“Resolved That pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to recommendation of Audit Committee of the Board of Directors, the appointment of M/s. Agrawal Chhallani & Co., Chartered Accountants, Nagpur (Registration No. 100125W), as the Auditors of the Company be and is hereby ratified to hold such office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

The Chairman then invited members for the comments and seek clarification, if any on the proposed resolution. Since there were no comments, the Chairman proceeded for the next item of the Agenda.

**SPECIAL BUSINESS**

**Agenda Item No. 4**

**4. APPOINTMENT OF SHRI ARVIND IYER AS AN INDEPENDENT DIRECTOR: (ORDINARY RESOLUTION)**

Chairman informed the Members that the item No. 4 of the Notice is also an Ordinary Resolution and relates to the appointment of Shri Arvind Iyer as an Independent Director of the Company not liable to retire by rotation w.e.f. 13<sup>th</sup> November, 2014 to hold office for 2(Two) consecutive years for a term up to 12th November, 2016. He further apprised that the said appointment of Shri Arvind Iyer as an Independent Director has been done by the Board of Directors w.e.f. 13<sup>th</sup> November, 2014 subject to approval of the shareholders. Thereafter he requested Shri Murli Lahoti to read out the Resolution specified at item No. 4 of the Notice, which is as follows:

“Resolved That pursuant to the provisions of Sections 149, 152 read with Schedule IV and 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, consent of the members be and is hereby given





to the appointment of Shri Arvind Iyer (DIN: 01375173) as an Independent Director of the Company not liable to retire by rotation with effect from 13<sup>th</sup> November, 2014 to hold office for 2 (Two) consecutive years for a term up to 12<sup>th</sup> November, 2016.”

The Chairman then invited members to offer comments and seek clarifications on the proposed resolution. Since there were no comments, Chairman proceeded towards next item.

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

#### **5. APPOINTMENT OF SHRI M. M. VYAS AS AN INDEPENDENT DIRECTOR: (ORDINARY RESOLUTION)**

Chairman informed the Members that the next Item No. 5 of the Notice is an Ordinary Resolution and relates to the consent of shareholders to the appointment of Shri M. M. Vyas, as an Independent Director of the Company not liable to retire by rotation with effect from 12<sup>th</sup> February, 2015 to hold office for 2 (Two) consecutive years for a term up to 11<sup>th</sup> February, 2017. He further briefed that the said appointment of Shri M.M. Vyas as an Independent Director has been done by the Board of Directors w.e.f. 12<sup>th</sup> February, 2015 subject to the approval of shareholders. He then requested Shri Murli Lahoti to read the resolution as set out in item No. 5 of the Notice, which is as follows:

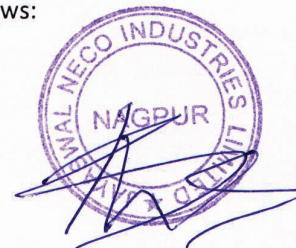
“**Resolved That** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, consent of the members be and is hereby given to the appointment of Shri M. M. Vyas (DIN: 00399012), as an Independent Director of the Company not liable to retire by rotation with effect from 12<sup>th</sup> February, 2015 to hold office for 2 (Two) consecutive years for a term up to 11<sup>th</sup> February, 2017.”

The Chairman then invited members for comments and to seek clarification, if any on the proposed resolution. Since there were no comments, the next item was taken.

#### **Agenda Item No. 6**

#### **6. INCREASE IN REMUNERATION OF SHRI AVNEESH JAYASWAL, GROUP DIRECTOR: (SPECIAL RESOLUTION)**

Shri Ashutosh Mishra with the permission of the Chairman apprised the members that the next item No. 6 of the Notice is a Special Resolution and relates to the approval of members of the Company for the increase in the remuneration of Shri Avneesh Jayaswal, Group Director (an office and place of profit without being a member of the Board) of the Company. He further informed that Shri Avneesh Jayaswal is the son of Shri Ramesh Jayaswal, Joint Managing Director of the Company and his remuneration is proposed to be revised to Rs. 4,04,422/- per month w.e.f. 1st October, 2015 . Company Secretary also apprised that the revision in the remuneration of Shri Avneesh Jayaswal had been recommended by the Nomination and Remuneration Committee of the Board taking into account the varied experience of Shri Avneesh Jayaswal especially in the project management and execution and also the fact that he was appointed at a lower salary than drawn by him in his earlier employment. He then request Shri Murli Lahoti to read the resolution as set out in item No. 6 of the Notice, which is as follows:





**“Resolved That** pursuant to the provisions of Sections 188 (1) (f) and other applicable provisions of the Companies Act, 2013, if any and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, approval of the Company be and is hereby accorded to the revision in the remuneration w.e.f. 1<sup>st</sup> October, 2015 of Shri Avneesh Jayaswal (S/o Shri Ramesh Jayaswal, Joint Managing Director of the Company), holding the office of Group Director ( an office and place of profit, presently without being a member of the Board) of the Company, as specified below:

(Amount in Rs.)

<b>PAY SCALE</b>	100000-10000-150000-12500-212500-15000-287500-17500-375000
<b>BASIC</b>	175000
<b>HRA (40% OF BASIC)</b>	70000
<b>CONVEYANCE ALLOWANCE</b>	800
<b>EDUCATION ALLOWANCE</b>	7000
<b>PF (12% OF BASIC)</b>	21000
<b>MEDICAL REIMBURSEMENT</b>	1250
<b>LTA</b>	21000
<b>PP</b>	7890
<b>SPECIAL ALLOWANCE</b>	100482
<b>GRATUITY</b>	AS PER COMPANY'S RULE
<b>TOTAL</b>	<b>404422 per month</b>

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to consider and approve any further increase from time to time in the remuneration of Shri Avneesh Jayaswal as per the remuneration policy of the Company in that behalf.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and things as it may think expedient to give effect this resolution.”

The Company Secretary then requested the members for comments and clarifications, if any on the proposed resolution. Since there were no comments, the Chairman proceeded for next item.

**Agenda Item No. 7**

**7. APPOINTMENT OF SHRI MEGH PAL SINGH AS EXECUTIVE DIRECTOR (STEEL): (SPECIAL RESOLUTION).**

Chairman informed that the next item No. 7 of the Notice is a Special Resolution and relates to the consent of the members to the appointment of Shri Megh Pal Singh as Executive Director (Steel) of the Company liable to retire by rotation, for a period of 3 years commencing from 13<sup>th</sup> November, 2014. He further apprised that the said appointment of Shri Megh Pal Singh was done by the Board of Directors on the recommendation of the Nomination and Remuneration Committee, keeping in view his rich experience of about 35 years in almost all the functional areas of a steel plant. Chairman also informed the members that pursuant to the provisions of Section 196 and Schedule V of the Companies Act, 2013 the appointment of Shri Megh Pal Singh as Executive Director (Steel) of the Company requires the approval of Shareholders of the Company by way of Special Resolution. He then requested Shri Murli Lahoti to read the Special Resolution as set out in item No. 7 of the Notice, which is as follows:





**“Resolved That** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereof and Rules made thereunder including any statutory modifications or re-enactment thereof for the time being in force, approval of Members of the Company be and is hereby accorded to the appointment of Shri Megh Pal Singh (DIN: 02635073) as Executive Director (Steel) of the Company liable to retire by rotation within the meaning of Section 2(94) of the Companies Act, 2013, for a period of 3 years commencing from 13.11.2014 on the following terms and conditions including remuneration:

- a. Designation : Executive Director (Steel)
- b. Grade : L-10
- c. Remuneration : Rs. 187500 per month in the pay scale of Rs.100000-10000-150000-12500-212500-15000-287500-17500-375000
- d. Allowances : House Rent Allowance, Children’s Education Allowance, Conveyance Allowance, Special Allowance and Personal Pay Allowance as admissible as per the rules of the Company.
- e. Perquisites : Contribution to Provident Fund, Gratuity, Leave Encashment, Leave Travel Allowance, Reimbursement of Medical Expenses for self and family, Telephone for office use, etc as per the rules applicable to senior cadre personnel of the Company.
- f. Minimum Remuneration : In the event of loss or inadequate profits, Salary, Allowances and Perquisites as above subject to the limits prescribed under Schedule V of the Companies Act, 2013.
- g. Notice period : During Probation Period-1 month notice from either side.  
After Confirmation - 3 months notice from either side.

**“RESOLVED FURTHER THAT** the above terms and conditions including remuneration may be varied by the Board of Directors of the Company from time to time subject to the provisions and limits specified in Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** in case of absence or inadequacy of profits in any financial year the above remuneration be paid to Shri Megh Pal Singh as minimum remuneration subject to the provisions of Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such things and take all such steps as it may deem fit to give effect to this resolution.”





The Chairman then invited members to offer comments and seek clarification, if any on the proposed resolution. Since there were no comments, the Chairman proceeded towards next item on the Agenda.

**Agenda Item No. 8**

**8. TO APPROVE THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31<sup>ST</sup> MARCH, 2016: (ORDINARY RESOLUTION)**

The Chairman informed the members that the next item No. 8 of the Notice is an Ordinary Resolution pertaining to the approval of the members to the Remuneration of M/s. Manisha & Associates, Cost Accountants, appointed as the Cost Auditors of the Company, to conduct the Audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016. He further apprised the members that the Board of Directors of the Company appointed vide its meeting dated 29th May, 2015, M/s. Manisha & Associates, as the Cost Auditors of the Company for the financial year 2015-16 at the remuneration of Rs. 1,25,000/- plus service tax and reimbursement of out of pocket expenses at actual. He then requested Shri Milind Rao to read the resolution as set out in item No. 8 of the Notice, which is as follows:

**“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), M/s. Manisha & Associates, Cost Accountants, 238, Shreeram Shyam Towers, Near NIT, Sadar, Nagpur - 440001 the Cost Auditors appointed by the Board of Directors of the Company on the recommendation of the Audit Committee of the Board, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016, be paid the remuneration of Rs. 1,25,000/- plus service tax and reimbursement of out of pocket expenses at actual.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company 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.”

The Chairman then invited members to offer comments and seek clarification, if any on the proposed resolution. There were no comments on the Resolution.

11. The Chairman requested the Scrutinizer to lock empty ballot box in the presence of the Members.
12. Thereafter, the Chairman ordered that all the resolutions in the notice be put to vote by Ballot. He requested the Members to cast their vote using ballot paper provided to them.

With the permission of the Chairman Shri Ashutosh Mishra informed that only those members who have not cast their votes by Remote e-voting are entitled to cast their votes through ballot at AGM and any assistance in completing the ballot paper, if required may be obtained from the scrutinizer.

13. It was also informed to the members by the Chairman that the result of e-voting and voting through ballot will be declared on the receipt of the scrutinizer's report on voting and shall be placed on the Company's website as well as the website of NSDL and Sharex Dynamic (India)





Private Limited (RTA of the Company) and will simultaneously be sent to the Stock Exchanges where the shares of the Company are listed. He further apprised the members that subject to receipt of requisite number of votes the resolutions specified in the notice shall be deemed to be passed on the date of this Annual General Meeting.



There being no other business to be transacted the Meeting concluded at 3.00 p.m. with a vote of thanks to the chair.

**Result of the Electronic Voting and Voting through Ballot on the Business transacted at the Annual General meeting of the Company held on Tuesday, the 29<sup>th</sup> September, 2015.**

On the basis of the Consolidated Scrutinizer's Report dated 1<sup>st</sup> October, 2015 for the electronic voting and voting through Ballot, the result was announced that all the Resolutions for the Business as set out in item no. 1 to 8 in the Notice of this Annual General Meeting of the Company have been duly passed by the requisite majority.

**DATE: 03-10-2015**

**PLACE: NAGPUR**

  
  
**CHAIRMAN**