

NEYVELI LIGNITE CORPORATION LIMITED

MINUTES OF THE 58TH ANNUAL GENERAL MEETING OF NEYVELI LIGNITE CORPORATION LIMITED HELD AT 15-00 HOURS ON WEDNESDAY, THE 24TH SEPTEMBER, 2014 AT "SATHGURU GNANANANDA HALL", NARADA GANA SABHA, NO.314, T.T.K.ROAD, ALWARPET, CHENNAI-600 018.

PRESENT:

Shri. B.Surender Mohan	: Chairman-cum-Managing Director
Dr.A.K.Dubey	: Director
Shri. S.Rajagopal	: Director
Shri. Rakesh Kumar	: Director
Shri K.Viswanath	: Company Secretary

The Annual General Meeting was attended by 4074 Members including Shri.Manoj Kumar Sharma, Director, Ministry of Coal, the representative of the President of India and 59 proxies. Shri.K.Sreedhar and Shri.V.Suresh, Partners of M/s.Sreedhar, Suresh & Rajagopalan, Chartered Accountants, Chennai and Shri. P.B.Srinivasan, Partner of M/s.P.B.Vijayaraghavan & Co., Chartered Accountants, Chennai, the Statutory Auditors of the Company attended the meeting.

The Chairman after ascertaining the presence of requisite quorum, called the Meeting to order. The Chairman welcomed the Members present and informed that the Register of Directors and Key Managerial Personnel, Register of Contracts and Arrangements, Register of Directors' Shareholdings, Minutes Book of AGM, Register of Members and Proxy Register are available for inspection by any Members till the conclusion of the Annual General Meeting.

The Chairman introduced the Directors and Company Secretary on the dais and stated that Shri.S.Boopathy, Director (Planning & Projects) could not attend the meeting as he had gone to Czech Republic as part of the delegation of the Government of India and Shri.S.K.Acharya, Director(Human Resource) could not attend the meeting due to health reasons.

With the permission of the Members present, the notice convening the Meeting and the Audited Accounts for the year 2013-14 were taken as read.

The Chairman informed the Members that Auditors' Report on the accounts for the year ended 31st March,2014, being an unqualified one, was not required to be read out at this meeting as per the provisions of Section 145 of the Companies Act,2013.

The Chairman, in his address to the Members, gave a brief account of coal and lignite reserves in the country, all India installed capacity of power generation and Government of India's policy initiatives to accelerate the growth in the power sector.



The Chairman highlighted the performance of the Company during the financial year 2013-14 and also informed that the Company had achieved the highest ever performance in overburden removal, lignite production, generation and export of power, Sales Turnover, Profit Before Tax and Profit After Tax. The Chairman also highlighted the physical and financial performance during the period from April 2014 to August 2014.

The Chairman, in his address, outlined the status of projects under implementation/ consideration and also briefed about the development of Pachwara South Coal Block in the State of Jharkhand for the proposed Ghatampur Coal based thermal power project and the Jilga-Barpali coal block jointly allocated with Chhattisgarh State Power Generation Company Limited.

The Chairman recorded his thanks to Ministry of Coal and other Departments of Government of India, Governments of Tamilnadu, Rajasthan and Uttar Pradesh, State Electricity Boards , recognized Trade Unions and Associations. The Chairman also placed his appreciation for all executives, supervisors and workmen of the Company and had also recorded the contribution and support extended by Board Members.

The Chairman informed the Members that there was a change in the voting procedure on the resolutions placed before the meeting for consideration and further informed that pursuant to the provisions of the Companies Act,2013 and revised Clause 35B of the Listing Agreement with the Stock Exchanges, the Company had provided electronic voting (e-Voting) facility to the Members through Central Depository Services(India) Limited platform in respect of all the items to be transacted at this AGM and that E-Voting commenced on 19th September,2014 and ended on 20th September, 2014.

The Chairman also informed that since the Company had provided e-Voting facility, as per the extant regulations, voting by show of hands and demand for poll by the Members at this meeting would not be relevant and further stated that, in order to provide an opportunity to the shareholders who could not exercise e-voting, poll would be conducted and further explained the process of voting by poll.

The Chairman informed the Members that Shri.R.Balasubramaniam, Practicing Company Secretary had been appointed as the Scrutinizer for e-Voting and for the poll to be conducted and introduced Shri.R.Balasubramaniam to the Members.

The Chairman informed that agenda item nos.7 & 8 relating to the proposal for the appointment of Dr.Sanjay G. Dhande (DIN 03124589) and Shri.C.Balakrishnan (DIN 00040416) respectively as Directors at this meeting, had been withdrawn, since the the proposed appointees have withdrawn their candidature.



The Chairman then invited queries/ clarifications from Members on the Agenda Items proposed to be considered at this Meeting including the Annual Accounts and Performance of the Company for the year 2013-14 .

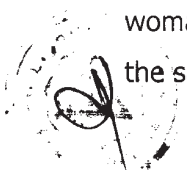
Shri. L.V.Rajarathnam (ID No. IN 301356 40001920), Shri. P.Subramaniam (ID No. IN 300360 10033537), Shri.S.Padmanaban (ID No. IN 301774 10308922), Shri. R.Sivakumar (ID No. IN 301637 40117566), Shri.R.S.Manimaran (ID No. IN 30017510088941), Dr.R.Kannappan (ID No. IN 300183 13034349), Shri.R.Vidyashankar (ID No. 120447005731511), Shri.M.Venkataraju (ID No.1203840000071555), Shri.K.A.Duraisamy (ID No. 1203840000326994) and Shri.P.Srinivasulu (ID No. IN 301549 14710889), Members, participated in the discussions. The Members generally discussed the performance of the Company for the year 2013-14 and congratulated the Company for its highest ever physical and financial performance during the year 2013-14 as mentioned in the Chairman's address to Members. The Members also requested for arranging one more plant visit for the Members of Company. The shareholders during the interaction, inter-alia, sought certain details/queries on the following;

- (a) Appointment of Independent Directors
- (b) Higher dividend payout
- (c) Issue of Bonus Shares
- (d) Statutory Auditors' Report
- (e) Appointment of Branch Auditor for Barsingsar Mine-cum-Thermal Power Plant
- (f) Project status of subsidiary companies
- (g) Industrial Relations Scenario
- (h) Possibility of advancing AGM date
- (i) Acquisition of existing power projects
- (j) Current status of TPS-II Expn. Projects under implementation
- (k) Utilization of foreign exchange
- (l) Shareholding details of State Government Undertakings

The Chairman, in his reply, acknowledged with thanks for the queries and suggestions and expressed his gratitude for the Members' interest in the Company.

The Chairman stated that the request by the Members for another plant visit for the shareholders would be considered in a phased manner in the current year.

The Chairman further stated that the issue of appointment of Independent Directors and woman director on the Board of the Company has been referred to Ministry of Coal and the same is in process.



The Chairman provided the details of dividend payout ratio for the last three years and confirmed that the Company has been paying more than the norms fixed by the Government of India and further stated that since lot of projects are in the pipeline and considering the large capital base of the Company, the payment of higher dividend may not be possible presently. The Chairman also stated that the suggestion of shareholders for increasing the dividend amount would be looked into.

With regard to issue of bonus issue of shares, the Chairman informed that the Company presently has a large equity and any further increase would make it difficult to service the enlarged equity base.

The Chairman explained that the Statutory Auditors had not qualified the financial statements of the Company but only attention has been invited by way of "Emphasis of Matter" for capitalisation of interest & overhead for the delayed projects, adoption of normal corporate tax rate, final adjustment of tariff on receipt of CERC orders and for accounting of foreign exchange rate variation. The Chairman informed that the detailed explanation for the above matters have been given in the notes to the Accounts.

The Chairman explained to the Members that the Branch Auditor for the Mine-cum-Power Plant at Barsingsar is also appointed by the Comptroller and Auditor General of India.

The Chairman informed the Members that the commissioning of Unit-I Tuticorin Power Project of NLC Tamil Nadu Power Limited, the subsidiary Company is expected soon and the project of Neyveli Uttar Pradesh Power Limited, another subsidiary Company, the is awaiting the environment clearance.

With regard to Industrial Relation issue, the Chairman stated that inspite of strike by contract workmen w.e.f. 3rd Sep.2014 demanding regularization and hike in wages, the generation of power was maintained. It was also stated that contract workmen are paid wages much higher than the minimum wages notified by the Government and provided with medical facilities, scholarship to their wards, minimum bonus, exgratia etc.

Regarding holding of Annual General Meeting in the last week of September, the Chairman explained to the Members that, since the comments of Comptroller and Auditor General of India were received on 11.08.2014, taking into account the time required for printing of annual reports the date of meeting was fixed. The Chairman also further stated that the possibility of advancing the date of AGM would be explored in the coming years.

Regarding acquisition of existing power plants of 100 MW capacity and above, the Chairman informed that in response to the Expression of Interest, the Company has received a few offers which are under scrutiny and only such offers having all the requisite clearances, would be considered for acquisition.

With regard to status on TPS-II Expansion project, the Chairman stated that because of CFBC technology of 250 MW capacity is being installed for the first time, technical problems are being encountered and hence there is a delay in commissioning of this project. The Chairman also stated that Engineers from BHEL and the Company are working round the clock to commission the project early.

With regard to query on foreign exchange used, the Chairman explained that the funds are utilized to repay the loan taken from KfW, Germany and also for procuring spares for machineries manufactured by foreign companies.

The Chairman also detailed the names of Government of Tamilnadu undertakings who had acquired 3.56% of the paid up of the company in the disinvestment held during August, 2013.

After replying to the queries raised by the Members and the Chairman ordered for Poll in respect of agenda items listed in the Notice of AGM excepting for item nos. 7 & 8 relating to the appointment of Dr.Sanjay G.Dhande and Shri.C.Balakrishnan respectively as Directors since the same were withdrawn as explained previously. Shri.R.Balasubramaniam, the Scrutinizer was requested to carry out further activities in conducting the Poll.

The process of poll was conducted as stipulated under the Act and the relevant Rules.

After conclusion of Poll, the Chairman announced that the final results of the voting (after consolidating the result of e-Voting and Poll) would be announced to Stock Exchanges and uploaded on the web-site of the Company within 2 days of conclusion of the AGM and declared the meeting as concluded.

The resolutions taken up for voting have been duly passed with the requisite majority as reported by the Scrutinizer vide his report dated 23rd September,2014 and 25th September,2014 on E-voting and Poll respectively and the consolidated report dated 25th September,2014. The said results together with the report of the Scrutinizer was uploaded in the web-site of the Company and also communicated to the Stock Exchanges on 25.09.2014.

In terms of the provisions of Section 108, 109 of the Companies Act,2013 read with the relevant rules made thereunder, the resolutions considered and passed by the shareholders are deemed to have been passed on 24th September,2014, being the date of AGM and hence recorded hereunder as part of the proceedings of the AGM.



1. Adoption of Audited Accounts for the year 2013-2014 along with the Reports of Directors' & Auditors' and Comments of Comptroller and Auditor General of India.

"RESOLVED that the Audited Stand-alone Profit and Loss Account for the year ended 31st March, 2014 and the Balance Sheet as on that date and also the Consolidated Financial Statements as on that date along with the Reports of Directors' and Auditors' and Comments of Comptroller and Auditor General of India thereon placed before the Meeting be and are hereby approved and adopted".

The resolution was passed as an Ordinary Resolution with 99.99 % assent as detailed below:-

Vote cast through	No. of votes cast	Votes in favor of the resolution	Votes against the resolution
E Voting	80820984	80820879	105
Poll	1509995273	1509995269	4
TOTAL	1590816257	1590816148	109

2. Declaration of Final Dividend and Confirmation of Payment of Interim Dividend for the year 2013-14.

"RESOLVED that the interim dividend @ 10 % paid and the final dividend @ 18% recommended by the Board of Directors on the paid-up equity share capital of Rs.1677,70,96,000/- of the Company aggregating to 28% be and is hereby declared as the dividend for the financial year 2013-2014.

"RESOLVED further that the final dividend as above, be paid to those Shareholders whose name appear on the Register of Members on 24th September, 2014 and also to the beneficial owners as per the data provided by the Depositories as at the end of business hours on 13th September,2014 in respect of shares held in electronic form".

The resolution was passed as an Ordinary Resolution with 99.99% assent as detailed below:-

Vote cast through	No. of votes cast	Votes in favor of the resolution	Votes against the resolution
E Voting	80821479	80821474	5
Poll	1509995273	1509993969	1304
TOTAL	1590816752	1590815443	1309



3. Re-appointment of Shri.Rakesh Kumar (DIN 02865335) as a Director ;

"RESOLVED that Shri. Rakesh Kumar (DIN 02865335), Director, who retires by rotation and being eligible, offering himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

The resolution was passed as an Ordinary Resolution with 99.99 % assent as detailed below:-

Vote cast through	No. of votes cast	Votes in favor of the resolution	Votes against the resolution
E Voting	80820484	80806357	14127
Poll	1509995273	1509995269	4
TOTAL	1590815757	1590801626	14131

4. Re-appointment of Shri. S. Rajagopal (DIN 06503785), as a Director :

"RESOLVED that Shri. S. Rajagopal (DIN 06503785), Director, who retires by rotation and being eligible, offering himself for re-appointment, be and is hereby re-appointed as a Director of the Company".

The resolution was passed as an Ordinary Resolution with 99.98 % assent as detailed below;

Vote cast through	No. of votes cast	Votes in favor of the resolution	Votes against the resolution
E Voting	80820484	80615113	205371
Poll	1509995273	1509956093	39180
TOTAL	1590815757	1590571206	244551

5. Appointment of Shri. S. Boopathy (DIN 06676460), as a Director:

"RESOLVED that pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and in terms of Ministry of Coal letter No. 21/20/2012-ASO dated 25th July 2013, Shri. S. Boopathy (DIN 06676460), be and is hereby appointed as a Director of the Company liable to retire by rotation".

The resolution was passed as an Ordinary Resolution with 99.99 % assent as detailed below:-

Vote cast through	No. of votes cast	Votes in favor of the resolution	Votes against the resolution
E Voting	80821024	80806357	14627
Poll	1509995073	1509994509	564
TOTAL	1590816057	1590800866	15191



6. Appointment of Shri.C.V. Sankar (DIN 00703204), as a Director;

"RESOLVED that pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and in terms of Ministry of Coal letter No. 21/21/2006- ASO (part) dated 18th December, 2013 Shri. C.V. Sankar (DIN 00703204) be and is hereby appointed as a Director of the Company liable to retire by rotation".

The resolution was passed as an Ordinary Resolution with 99.98 % assent as detailed below;

Vote cast through	No. of votes cast	Votes in favor of the resolution	Votes against the resolution
E Voting	80820484	80605992	214492
Poll	1509959173	1509955253	39820
TOTAL	1590815557	1590561245	254312

7 & 8. - Withdrawn.

9. Ratification of remuneration to Cost Auditor for the year 2014-15;

"Resolved that pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder the remuneration of Rs.3.00 lakh (plus applicable taxes) fixed for the Cost Auditor appointed to conduct the audit of cost records of the Company for the year 2014-15 be and is hereby ratified".

The resolution was passed as an Ordinary Resolution with 99.99 % assent as detailed below:-

Vote cast through	No. of votes cast	Votes in favor of the resolution	Votes against the resolution
E Voting	80820824	80820695	129
Poll	1509995073	1509993755	1318
TOTAL	1590815897	1590814450	1447



-Sd-
CHAIRMAN
23.10.2014