CHENNAI FERROUS INDUSTRIES LIMITED

Registered Office & Factory : OPG Nagar, Periya Obulapuram Village,
Nagaraja Kandigai, Madharpakkam Road,
Gummidipoondi - 601 201. Thiruvallur District, Tamil Nadu.
Telefax : 044 27991450 E-mail : chennaiferrous@gmail.com
CIN : L27310TN2010PLC075626

Bombay Stock Exchange Limited,

Date: 4th September 2018

25th Floor, Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai-400 001.

Dear Sir(s),

Ref: Security Code: 539011 Security ID: CHENFERRO

Sub: Outcome of Board Meeting held on 4th September 2018

We are pleased to inform that the Board of Directors of the Company at their meeting held on 4th September 2018 inter alia, has-

- Approved the reclassification of certain Shareholders from Promoter Group category to Public category subject to member's approval at the ensuing 8th Annual General Meeting of the company.
- Approved the resignation of Mr. Sunil Kumar Singh as the Non-Executive Independent Director of the Company with effect from 4th September 2018.
- Approved the appointment of Mr. Chandikeshwar Sharma as the Non-Executive Independent Director of the Company at the Board Meeting held on 4th September 2018 subject to Members approval at the ensuing 8th Annual General Meeting.
- Approved the Notice of the 8th Annual General Meeting.

We hereby submit the following documents

- Notice of the 8th Annual General Meeting.

Please take the above on records.

Thanking you,

For **Chennai Ferrous Industries Limited,**

R.Natarajan,
Chairman & Managing Director.

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NOTICE

Notice is hereby given that the **Eighth Annual General Meeting** (AGM) of **Chennai Ferrous Industries Limited** will be held on **Friday, 28th September 2018**, at **2.00 P.M.** at the registered office of Company situated at **OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road, Gummidipoondi – 601201**, to transact the following business:

ORDINARY BUSINESS

1. **Adoption of financial statements**

   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 together with the reports of the Board of Directors and the Auditors thereon.

2. **Appointment of Mrs. Deepa as a Director liable to retire by rotation**

   To appoint a Director in place of Mrs Deepa (DIN:07140954) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. **Leasing of property.**

   To consider and, if thought fit, to pass with or without modifications, the following resolution as a special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), consent of Company is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which expression shall also include a committee thereof) to lease the Sponge Iron Unit situated at Periya Obulapuram Village, Gummidipoondi, Tamil Nadu-601201, to any person(s) and /or entity(ies) as may be determined by the Board, for such consideration and on such terms and conditions as the Board may deem fit in the best interest of the Company;

RESOLVED FURTHER THAT the Board be and is hereby severally authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper, desirable or expedient to give effect to the aforesaid resolution."

4. **Reclassification of certain Shareholders from Promoter Group category to Public category.**

To consider and, if thought fit, to pass with or without modifications, the following resolution as a special Resolution:

"RESOLVED THAT in accordance with Regulation 31A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, and subject to necessary approvals from the SEBI, Stock Exchange, RBI and other appropriate statutory authorities, as may be necessary, consent of the members of Company is hereby accorded to reclassify the following persons/entities (hereinafter individually & jointly referred to as the 'Applicants') forming part of the Promoter Group from 'Promoter & Promoter Group category' to 'Public category', with effect from the date of this Special Resolution:

Name of Applicants	No. of shares	%
Arvind Gupta	1,32,377	3.67
Arvind Gupta HUF	7,131	0.20
Sudha Gupta	1,88,580	5.23
Avantika Gupta	3,28,092	9.10
Samriddhi Gupta	9,340	0.26
Gita Devi	28,725	0.80
Ravi Kumar Gupta	10,008	0.28
Ravi Gupta HUF	10,100	0.28
Vandana Gupta	55,344	1.54
Alok Gupta	19,934	0.55
Nivedita Gupta	1,524	0.04
Renu Devi Jalan	1,00,000	2.77
Abhishek saraff	73,712	2.04
Roop Chand Betala	12,500	0.35
Satya Narain Gupta	47,200	1.31
Arvind Kumar Gupta	625	0.02

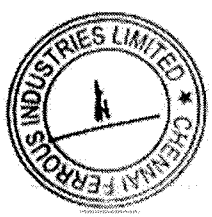
Subhash Chandra Saraff	36	0.00
Tamilnadu Property Developers Limited	3,00,000	8.32
Dhanvarsha Enterprises And Investments Private Limited	1,57,475	4.37
Goodfaith Vinimay Private Limited	1,25,155	3.47
Sri Hari Vallabhaa Enterprises And Investments Private Limited	85,907	2.38
Assam Mercantile Company Limited	65,643	1.82
Indian Corporate Business Centre Limited	43,675	1.21
Ameena Begum S	250,000	6.94
Radiant Solutions Private Limited	250,000	6.94
Total	18,03,083	63.89

RESOLVED FURTHER that the approval of the Company is hereby also given for re-classification of the following entities, if any, to the 'Public Category':

- All bodies corporate in which ten percent or more of the equity share capital is held by the applicants, either individually or jointly, but not by the remaining promoter group entities or a firm or Hindu Undivided Family in which none of the existing promoters except the applicant(s) is/are member(s);
- Any body corporate in which a body corporate as provided in (i) above holds ten percent or more, of the equity share capital;
- Any Hindu Undivided Family or firm in which the aggregate shareholding of the applicants, either individually or jointly (but not by the remaining promoter group entities), is equal to or more than ten percent of the total;
- Any Hindu Undivided Family or firm in which the aggregate shareholding of the applicants, either individually or jointly (but not by the remaining promoter group entities), is equal to or more than ten percent of the total;

RESOLVED FURTHER THAT the aforesaid applicants have fulfilled all the following necessary requirements for reclassification as required under Regulation 31 A(5) of the SEBI Listing Regulations:

- that none of the aforementioned shareholders have any special rights through formal or informal agreements;



- that none of the aforementioned shareholders hold, individually or in aggregate, more than 10% of the paid-up equity capital of the Company; and
- that none of the aforementioned shareholders or any person nominated by them, shall act as Key Managerial Personnel for a period of more than 3 years from the date of shareholders' approval.

RESOLVED FURTHER THAT on approval of the SEBI Board/ Stock Exchange upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and other applicable provisions.

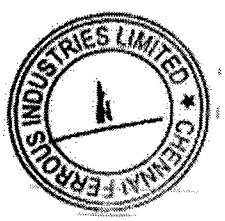
RESOLVED FURTHER THAT pursuant to the fulfillment of the above three conditions as per Regulation 31A(5) of the SEBI Listing Regulations, the above applicants shall cease to be part of the "Promoter Group" of the Company with effect from the date of this Special Resolution.

RESOLVED FURTHER THAT any of the Directors of the Company or such other person as authorized by the Board, be and is hereby authorized to submit application for reclassification to the SEBI Board, Stock Exchanges, wherein the securities of the Company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable to give effect to this resolution."

5. **Appointment of Mr. Chandikeshwar Sharma as an Independent Director**

To consider and, if thought fi t, to pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED that, pursuant to sections 149, 152 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), Mr. Chandikeshwar Sharma (DIN: 06598312) who was



appointed as an Additional Director of the Company in the category of an Independent Director by the Board of Directors the Company with effect from 4th September 2018 who holds office upto this Annual General Meeting, in terms of section 161 of the Companies Act, 2013 be and is hereby appointed /ratified as an Independent Director of the Company for a period of Five Years with effect from 4th September 2018 up to 3rd September 2023 who is not liable to retire by rotation."

By order of the Board
For **Chennai Ferrous Industries Limited,**

R.Natrajan
Chairman and Managing Director
DIN: 00595027

Date:4th September 2018
Place:Chennai

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

Item 3:

Considering the interests, opportunities and future revenues of the Company, the Board of Directors at their meeting held on 14th August 2018 has recommended to lease Sponge Iron unit situated at Periya Obulapuram Village, Gummidipoondi, Tamil Nadu- 601201 ("Unit") on a long-term basis, subject to necessary approvals.

Section 180(1)(a) of the Companies Act, 2013 provides that lease of whole or substantially the whole of the undertaking of a company shall be approved at general meeting by special resolution. Therefore, it is recommended passing the resolution as special resolution as stated in Item No.3 of Notice hereof.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Item 4:

The Company is in receipt applications from the following persons belonging to promoter group for re-classifying them under the Public Category:

Name of Applicants	No. of shares	%
Arvind Gupta	1,32,377	3.67
Arvind Gupta HUF	7,131	0.20
Sudha Gupta	1,88,580	5.23
Avantika Gupta	3,28,092	9.10
Samriddhi Gupta	9,340	0.26
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Ameena Begum S	250,000	6.94
Radiant Solutions Private Limited	250,000	6.94
Total	18,03,083	63.89

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides a regulatory mechanism for re-classification of promoters as Public Shareholders subject to fulfillment of conditions as provided therein.

Considering explanations, representations, declarations given by the applicants and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, 2015, the Board of Directors of the Company at their meeting held on 4th September 2018 have approved all the applications for reclassification from Promoter group category to Public category subject to approval by the members and relevant regulatory authorities.

None of the concerned persons/entities, acting individually and in concert, directly or indirectly exercise control over the management and affairs of the Company.

Further as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on date of the notice fulfils the minimum public shareholding requirement of at least 25% and the proposed reclassification does not intend to increase the Public Shareholding to achieve compliance with the minimum public shareholding requirement.

It is recommended passing of resolution as Special Resolution in Item No. 4 of the Notice hereof.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in this Resolution.

Item 5:

The Nomination and Remuneration Committee and the Board of Directors have recommended the appointment of Mr. Chandikeshwar Sharma, (DIN: 06598312) as Non-Executive Independent Director of the company at their respective meetings held on 4th September 2018 .

Mr. Chandikeshwar Sharma has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

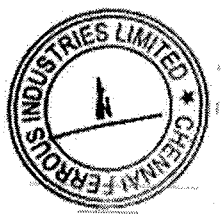
In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Chandikeshwar Sharma as Non-Executive Independent Director with effect from 4th September 2018 is recommended for member's approval.

The terms and conditions of appointment of Mr. Chandikeshwar Sharma shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

The company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing Mr. Chandikeshwar Sharma as a candidate for being appointed as an independent director, together with requisite deposit.

Details of Mr. Chandikeshwar Sharma are furnished to the Explanatory statement pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that forms an integral part of this Notice.

Except Mr. Chandikeshwar Sharma, no other directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.



I. Notes

1. The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the business under Item No: 3, 4, 5 above is annexed hereto. The relevant details of Directors seeking re-appointment under Item No. 3, 4, 5 above pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Listing Regulations, 2015"] and Secretarial Standard on General Meetings is also annexed.

2. A member entitled to attend and vote at this AGM is entitled to appoint a proxy to attend and Vote in the meeting instead of him/her and the proxy need not be a member of the company.

3. Pursuant to section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies, in order to be effective, must be complete and received at the registered office of the Company at OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road, Gummidipoondi – 601201 not less than 48 hours before the commencement of this Annual General Meeting.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

5. Members/ Proxies/ Authorized Representatives attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting and also the attendance slip duly filled in for easy identification of attendance at the meeting.

6. Members desirous of getting any information in respect of accounts of the company are requested to send their queries in writing to the Company's Registered Office at least seven days before the date of the meeting so that the required information can be made available at the meeting.

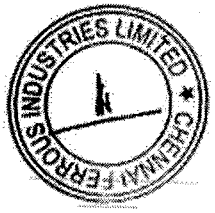
7. The Register of Members and Share Transfer Books of the Company will be closed from 21st September 2018 to 28th September 2018 (both days inclusive) for the purpose of Annual General Meeting for the financial year 2017-18.

8. Members holding shares in Physical Form are requested to furnish their address / or changes in address if any with Registrar & Transfer Agent of the Company, M/s.Cameo Corporate Services Limited, Chennai, quoting their Folio number and number of Shares held. Members holding shares in Electronic Form may communicate their change of Address to their respective Depository Participants.

9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.chennaiferrous.com (under 'Investors' section). Members holding shares in physical form may submit the same to the Registrar & Transfer Agent. Members holding shares in electronic form may submit the same to their respective depository participant.

10. Section 20 of the Companies Act, 2013, permits service of documents on Members by a company through electronic mode. Therefore in accordance with the Companies Act, 2013 read with the Rules framed thereunder, the Annual Report 2017-18 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participant unless any Member has requested for a physical copy of the Report. For Members who have not registered their e-mail addresses, physical copies of the Annual Report 2017- 18 are being sent by the permitted mode. Members may note that the Annual Report 2017-18 will also be available on the Company's website i.e. www. Chennaiferrous.com

11. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.



12. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with Company/ RTA Cameo Corporate Services Limited.

Updation of Members Information

13. The Securities and Exchange Board of India ("SEBI") has mandated the submission of PAN by every participant in the securities market. vide its circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 . Accordingly the format of the Register of Members prescribed under the Companies Act, 2013 requires the Company/ Registrar and Transfer Agents to record additional details of Members, including their Permanent Account Number details (PAN), e-mail addresses, bank details for payment of dividend, etc.

    A form for capturing the above details is sent along with this report. Members holding shares in physical form are requested to submit the filled-in form to the Company or its Registrar and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant(s).

14. The amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only therefore Members holding shares in physical form are requested to convert their holding to dematerialized form .A letter requesting the respective members for dematerialization of their physical shares before 5th December 2018 is sent along with this report.

15. Voting by Members:

In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Members the facility to cast their votes electronically, through e-voting services provided by National Securities Depository Limited ("NSDL"), on resolutions set forth in this Notice. The Members may cast their votes using an electronic voting system from a place other than