

NOTICE TO SHAREHOLDERS

Notice is hereby given that the **Thirty Eighth** Annual General Meeting (AGM) of the Members of Nelcast Limited will be held on Thursday, the 27th August 2020 at 3.30 PM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31st March 2020, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Ms. P. Divya (holding DIN: 05158352), who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that in partial modification of the Resolution passed in this regard by the members of the Company at Thirty Sixth Annual General Meeting held on 13th August 2018, pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the consent and ratification of the members be and is hereby accorded that Mr. P. Deepak (DIN: 02785326), Managing Director of the Company be paid remuneration, in case where in any financial year, during the currency of the tenure of Mr. P. Deepak (DIN: 02785326) as Managing Director, if the Company has no profits or its profits are inadequate, subject to the terms and conditions prescribed under Section II, Part II of Schedule V of the Companies Act, 2013 (as may be amended from time to time) by way of Salary, Allowances and Perquisites as detailed below and as approved by the Members at Annual General Meeting held on 13th August 2018 as minimum remuneration with effect from 1st July 2020 to 30th June 2023 as recommended by the Nomination & Remuneration Committee and approved at the meeting of the Board of Directors.

Salary : Basic Salary of ₹ 5,25,000/- per month.

Special Allowance of ₹ 1,50,000/- 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 Expenses for Self & Family both in India & outside India, including medical insurance premium.
- (iii) Personal Accident Insurance: Personal Accident insurance premium shall not exceed ₹ 20,000/- 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 or Leave Encashment: 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.

In addition to the above remuneration an Annual Allowance of Rupees Forty Five lakhs shall also be paid.

Increment of not more than 33% per annum may be paid during his tenure.

Minimum Remuneration:

Notwithstanding anything herein contained, where in any financial year during the period of his office as a Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay Mr. P. Deepak, the above remuneration as minimum remuneration by way of salary, allowances, perquisites in accordance with Section II, Part II of Schedule V of the Companies Act, 2013 and the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

RESOLVED FURTHER that the above remuneration shall be subject to modification, as may be deemed fit by the Nomination and Remuneration Committee from time to time as prescribed under the Companies Act, 2013 read with Schedule V thereto and the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

RESOLVED FURTHER that except for the aforesaid revision in terms of remuneration, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the resolution passed at the Annual General meeting of the Company held on 13th August 2018 shall remain unchanged.

RESOLVED FURTHER that Mr. S.K. Sivakumar, Company Secretary be and is hereby severally authorized to do all such acts, deeds and things as deemed necessary, proper and expedient to give effect to the aforesaid Resolution.”

4. 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 ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) (apart from re-imbursalment 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 31st March 2021, be and is hereby approved and ratified.”

Place: Chennai

Date : 19th June 2020

Registered Office

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

By Order of the Board

S.K. Sivakumar
Chief Financial Officer &
Company Secretary

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Pursuant to the Circular No. 14/2020 dated 8th April 2020, Circular No.17/2020 dated 13th April 2020 and Circular No. 20/2020 dated 5th May 2020 issued by the Ministry of Corporate Affairs (“MCA”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (“SEBI”) and in compliance with the provisions of the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), physical attendance of the Members at the AGM venue is not required and AGM can be held through video conferencing (“VC”) or other audio visual means (“OAVM”). Hence, Members can attend and participate at the ensuing AGM through VC/OAVM.
2. Pursuant to the aforesaid Circulars, the facility to appoint proxy by Members under Section 105 of the Act to attend and cast vote for the Members is not available for this AGM as the physical attendance of Members has been dispensed with. However, Body Corporates are entitled to appoint authorized representatives as its Member to attend the AGM through VC/OAVM and participate there at and cast their votes through e-Voting.
3. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
4. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to the members on “first come first served” basis. This will not include large Shareholders (Shareholders holding 2% or more of the total number of shares of the Company as on the cut-off date as defined), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of “first come first served” basis.
5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the Circulars issued by MCA dated 8th April 2020, 13th April 2020 and 5th May 2020 the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting at the meeting will be provided by NSDL.
6. In line with MCA Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.nelcast.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing Remote e-Voting facility) i.e., www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with Circulars issued by MCA and SEBI in this regard.
8. The Explanatory Statement pursuant to Section 102 of the Act, relating to the Special Business to be transacted at the Meeting is annexed hereto.
9. The Company has notified closure of Register of Members and Share Transfer Books from 21st August 2020 to 27th August 2020 (both days inclusive).
10. Pursuant to the provisions of Section 124 read with Section 125 of the Act, (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. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act and the applicable rules.
11. Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, the Company is providing/ hosting the required details of unclaimed amount/ shares referred to under Section 124 of the Act on its website and also on the website of the Ministry of Corporate Affairs (MCA) viz., www.iepf.gov.in.
12. Pursuant to SEBI notification dated 8th June 2018, transfer of shares in physical mode is prohibited and mandates holding in demat except in case of transmission or transposition. Accordingly, Members are requested to convert the physical holding to demat through depository participant. Members may contact the Company for any assistance in the said process of physical to demat of shares.
13. 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.
1st 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
14. The 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.
15. Electronic copy of the Annual Report and the Notice of the AGM inter-alia indicating the process and manner of e-Voting are being sent to all the Members whose e-mail IDs are registered with the Company / DPs for communication purposes.

16. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
17. Members may also note that the Notice of the 38th Annual General Meeting and the Annual Report for 2019-20 will also be available on the Company's website www.nelcast.com for their download, the website of the Stock Exchanges viz., BSE Limited - www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com. Other than the above, no physical/hard copies of the Notice & Annual Report will be sent to shareholders.

18. Re-Appointment of Directors:

At the forthcoming Annual General Meeting, Ms. P. Divya, Director retires by rotation and being eligible offers herself for re-appointment, information or details pertaining to her appointment are 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)**

Ms. P. Divya aged about 37 years, graduated top of her class for post-graduate MS degree in Networked Information Systems from Stevens Institute of Technology, Hoboken, New Jersey, USA. She had completed a BE degree with Honors in Computer Engineering also from Stevens Institute of Technology, Hoboken, New Jersey, USA.

Her career began at Deutsche Bank in Wall Street, New York as an Analyst and she quickly rose through the ranks Managing various Projects Globally and ultimately specializing in Change Management & Governance.

During her career in the Company and its subsidiary, she was responsible for Information Technology, Organizational Development and Business Strategy and successfully led several key initiatives of the Company. She is also the co-founder of Avenues School.

Details of other Directorships/Committee Memberships held by her:

| Directorship | Committee Membership |
|---------------------------------------|---|
| NC Energy Limited | - |
| Ponnas Infrastructure Private Limited | - |
| Dodla Dairy Limited | Corporate Social Responsibility Committee |

Ms. P. Divya holds 16154249 shares in the Company.

Ms. P. Divya is related to Mr. P. Deepak, Managing Director of the Company.

Please refer Report on Corporate Governance Report for number of meetings attended during the year by Ms. P. Divya.

19. Since the AGM will be held through VC/OAVM, the route map is not annexed in this notice.

20. Voting through electronic means:

- In compliance with provisions of Section 108 of the Act read with The Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Listing Regulations, 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.
- The voting rights of the Members/ Beneficial Owners will be reckoned on the Equity Shares held by them as on Cut-off date. Members as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting.
- Mr. P. R. Lakshmi Narayanan, Practising Company Secretary, Chennai has been appointed as the Scrutinizer for conducting the e-Voting Process in a fair and transparent manner.

THE INSTRUCTIONS FOR REMOTE E-VOTING AND VOTING AT THE MEETING ARE AS UNDER

1. The remote e-Voting period begins on 23rd August 2020 at 9:00 A.M. (IST) and ends on 26th August 2020 at 5:00 P.M. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th August 2020, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
2. The details of the process and manner for remote e-Voting are explained herein below:
Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., cast your vote electronically.
4. Your User ID details will be as per details given below:
 - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).

- b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 110453 then user ID is 110453001***).
5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' would be communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"
(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login as provided in Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of Nelcast Limited for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose e-mail IDs are not registered with the depositories for procuring user id and password and registration of e-mail IDs for e-Voting for the resolutions set out in this notice:

REGISTRATION OF E-MAIL ADDRESS BY SHAREHOLDERS WITH THE RTA & DETAILS FOR OBTAINING/ DOWNLOADING ELECTRONIC COPY OF ANNUAL REPORT AND AGM NOTICE

On account of the continuing threat posed by COVID -19 pandemic and in terms of the MCA and SEBI Circulars, the Company has sent the Annual Report, Notice of AGM and e-Voting instructions only in electronic form to the registered e-mail addresses of the Shareholders. Therefore, those Shareholders who have not yet registered their e-mail address are requested to get their e-mail address registered by following the procedure given below:

- (a) Those Shareholders who have registered/not registered their e-mail address and mobile number including address and bank details may please contact and validate/update their details with their Depository Participant in case of shares held in electronic form and with the Company’s Registrar and Transfer Agent, M/s.Bigshare Services Pvt. Ltd. in case the shares are held in physical form.
- (b) Shareholders who have not registered their e-mail address and in consequence thereof, the Annual Report, Notice of AGM and e-voting instructions could not be served, may temporarily provide their e-mail address and mobile number to the Company’s Registrar and Transfer Agent, M/s. Bigshare Services Pvt. Ltd. by writing to the e-mail id investor@bigshareonline.com for sending the softcopy of the Annual Report, Notice of AGM and e-voting instructions along with the User ID and password. In case of any queries, Shareholders may write to investor@bigshareonline.com
- (c) Shareholders may also visit the website of the Company www.nelcast.com for downloading the Annual Report and Notice of the AGM.

- (d) Alternatively, Shareholders may send an e-mail request at the e-mail id investor bigshareonline.com along with scanned copy of the signed request letter providing the e-mail address, mobile number, self-attested PAN copy and Client Master copy, in case of electronic folio and copy of share certificate, in case of physical folio for sending electronically the Annual Report, Notice of AGM and the e-voting instructions.
- (e) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned above.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- ii. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM.
- iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

INSTRUCTIONS TO THE MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/ members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/ members login where EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

- v. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/ folio number, email id, mobile number at nelcast@nelcast.com at least 5 days in advance before the start of the meeting i.e., by 22nd August 2020 by 3.30 P.M. (IST). The same will be replied by the Company suitably.
- vi. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
- vii. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address at nelcast@nelcast.com at least 5 days in advance before the start of the meeting. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail scrutinizernelcast@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
4. In case of any queries, Members may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ or contact Mr. Amit Vishal, Senior Manager - NSDL at amitv@nsdl.co.in/ 022-24994360 / +91 9920264780 or Mr. Sagar Ghosalkar, Assistant Manager - NSDL at sagar.ghosalkar@nsdl.co.in/ 022-24994553 / +91 9326781467.
5. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such report shall then be sent to the Chairman or a person authorized in this regard, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

6. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.nelcast.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai.
7. Pursuant to the Circulars issued by MCA and SEBI, owing to the difficulties involved in dispatching of physical copies of the Notice of the AGM and the Annual Report for the year 2019-20, the said documents are being sent only by email to the Members.

Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the year 2019-20 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

- a) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAAR) supporting the registered address of the Member, by email to the Company's email address nelcast@nelcast.com.
- b) For Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

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. 3 and 4 of the accompanying Notice dated 19th June 2020.

Item No. 3:

Members of the Company at the Thirty Sixth Annual General Meeting held on 13th August 2018 approved through an Ordinary Resolution, the re-appointment of Mr. P. Deepak as Managing Director for a period of 5 years with effect from 01.07.2018 on the terms of and conditions as detailed thereunder in the Notice convening the said Meeting.

Consequent to the prevailing situation, on the recommendation of the Nomination and Remuneration Committee, your Board deems fit to cover the managerial remuneration payable to the Managing Director under Section II, Part II of Schedule V of the Companies Act, 2013, as Minimum Remuneration, for the remaining period of 3 years with effect from 1st July 2020, which requires members approval through a Special Resolution.

The details of remuneration payable to Mr. P. Deepak for the period 1st July 2020 to 30th June 2023 will be as per the details given in the resolution.

Mr. P. Deepak aged about 35 years, holds a MBA from the Kellogg School of Management, a MS in Engineering Management, a BS in Manufacturing and Design Engineering and a BS in Materials Science and Engineering from Northwestern University, USA. Mr. P. Deepak has over 12 years of industrial experience in different areas including work experience at M/s. Federal-Mogul Corp., USA as a Manufacturing Engineer, M/s. Nelcast USA Inc. as a Manager - Strategy & Planning and M/s. Deere & Company as a Project Manager. He has been the Managing Director of Nelcast Limited since 2012. He also serves as the Chairman of Corporate Social Responsibility Committee of the Company.

Mr. P. Deepak holds 4,89,46,763 shares in the Company. Details other Directorships/Committee Memberships held by him.

Details of other Directorships/Committee Memberships held by him:

| Directorship | Committee Membership |
|---------------------------------------|----------------------|
| NC Energy Limited | - |
| Ponnas Infrastructure Private Limited | - |

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 the Special Resolution set out at item No. 3 of the accompanying Notice for the approval of the Members.

The statement as required under Para A of Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the Item No. 3 is as follows:

I. General Information:

- (1) Nature of Industry: Manufacturer of Iron Castings.
- (2) Date or expected date of commencement of commercial production: Existing Company already commenced from 1985.
- (3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Existing Company, Not Applicable.
- (4) Financial performance based on given indicators: (₹ in Cr.)

| Particulars | 2019-20 | 2018-19 | 2017-18 |
|------------------------|---------|---------|---------|
| Net Sales | 566.76 | 856.27 | 760.07 |
| PBDT | 49.34 | 75.19 | 72.96 |
| Depreciation | 18.53 | 17.47 | 15.93 |
| PBT | 30.81 | 57.72 | 57.03 |
| Provision for Taxation | -5.20 | 19.28 | 18.77 |
| PAT | 36.01 | 38.44 | 38.26 |

- (5) Foreign Investment of Collaborators, if any: Nil

II. Information about the Appointee Mr. P. Deepak:

(1) Background details:

Mr. P. Deepak aged about 35 years, holds a MBA from the Kellogg School of Management, a MS in Engineering Management, a BS in Manufacturing and Design Engineering and a BS in Materials Science and Engineering from Northwestern University, USA. Mr. P. Deepak has over 12 years of industrial experience in different areas including work experience at M/s. Federal-Mogul Corp., USA as a Manufacturing Engineer, M/s. Nelcast USA Inc. as a Manager - Strategy & Planning and M/s. Deere & Company as a Project Manager. He has been the Managing Director of Nelcast Limited since 2012. He also serves as the Chairman of Corporate Social Responsibility Committee of the Company.

(2) Past remuneration:

Upto to 30th June 2020, Mr. P. Deepak was paid the same Salary, perquisite and allowances as proposed now.

(3) Recognition or awards: Nil

(4) Job profile and his suitability:

Mr. P. Deepak is involved in the overall management of the Company as CEO and has key role in running the affairs of the Company including Planning, Budgeting, Marketing, and Liaisoning with the Customers, Investors and Corporate affairs. He possess sound technical knowledge of foundry operations and technically very strong. As a Managing Director he has played a prominent role in the growth of the Company.

(5) Remuneration proposed:

As mentioned in the Resolution in Item No. 3.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of business. Taking in to account the turnover of the Company and responsibilities of Mr. P. Deepak, the proposed remuneration to the appointee is reasonable in the industry.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. P. Deepak is part of promoter group holding 4,89,46,763 shares and related to Ms. P. Divya, Director.

III. Other Information:

- (1) Reasons of loss or inadequate profits: The resolution is being passed to take care of any contingency situation which may arise in the industry due to Covid-19 and the uncertainties around this pandemic ahead of us, Economic Downturn, Cyclical slow down in the auto sector, etc.,
- (2) Steps taken or proposed to be taken for improvement: The Company is always looking forward to take all such steps and measures which are in the best interest of the Company. The necessary steps will be initiated when the situation arises due to above factors.
- (3) Expected increase in productivity and profits in measurable terms: The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

Disclosures:

The information, as required, is provided under Corporate Governance Section of the Annual Report 2020. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option for the aforesaid managerial personnel.

Memorandum of Interest:

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, except, Mr. P. Deepak, Managing Director and Ms. P. Divya, Director who are related to each other.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under SEBI LODR.

Item No. 4:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors amounting to ₹ 1,50,000/- per annum, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2021.

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 ordinary resolution for your approval as set out under Item No. 4.

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

Place: Chennai
Date : 19th June 2020

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

By Order of the Board

S.K. Sivakumar
*Chief Financial Officer &
Company Secretary*

