

JAYASWAL NECO INDUSTRIES LIMITED

(FORMERLY JAYASWALS NECO LIMITED)

REGD. OFFICE : F-8, MIDC INDUSTRIAL AREA, HINGNA ROAD, NAGPUR - 440 016 (INDIA)
PHONES : +91-7104-237276, 237471, 2737472, 236251, 325682, 325683, 325684,
FAX : +91-7104-237583, 236255 • E-mail : contact@necoindia.com • Website : www.necoindia.com



21th February, 2014

To,
Asst. Vice President,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E),
MUMBAI – 400 051.

Dy. General Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort,
MUMBAI – 400 001.

Dear Sir(s),

Sub: Extra-ordinary General Meeting to be held on 21st March, 2014.

With reference to the captioned subject, pursuant to the provisions of Listing Agreement with you, we write to inform you that the Extra-ordinary General Meeting of the Members of the Company will be held on 21st March, 2014 at 12.30 P.M. to consider and approve the following businesses -

1. To issue 68800000 Equity shares of Rs. 10/- each at a premium of Rs. 15/- per share under Section 81(1A) of the Companies Act, 1956 ("the Act") and SEBI (ICDR) Regulations, 2009;
2. To appoint Shri Arbind Jayaswal as Managing Director for 3 years from 01.01.2014 to 31.12.2016.
3. To appoint Shri Ramesh Jayaswal Joint Managing Director for 3 years from 01.01.2014 to 31.12.2016.
4. To appoint Shri P. K. Bhardwaj as Executive Director and Chief Financial Officer for 3 years from 25.02.2014 to 24.02.2017.

We enclose herewith Six copies of the Notice dated 10th February, 2014 of the said Meeting for your records.

You are requested to acknowledge receipt.

Thanking you.

For JAYASWAL NECO INDUSTRIES LIMITED


A D KARAJGAONKAR
COMPANY SECRETARY



Encl: As stated.

BRANCH OFFICES :

"NECO HOUSE" D-307, Defence Colony,
NEW DELHI - 110 024, (INDIA)
PHONES : 0 1 1 - 2 4 6 4 1 5 7 9
FAX NO. : 0 1 1 - 2 4 6 4 2 1 9 0

301, TULSIANI CHAMBERS
NARIMAN POINT, MUMBAI 400 021 (INDIA)
PH. : (022) 2282-0967, (022) 2282-3273
(022) : 22832381 FAX : (022) 22832367

TRUST HOUSE, 5th FLOOR,
32-A, CHITTARANJAN AVENUE,
KOLKATTA - 700012 INDIA FAX : 033-22122560
PHONES: 033-22122368, 22120502

178-A, LIGHT INDUSTRIAL AREA,
BHILAI - 490026 CHHATISGARH, INDIA
PHONES : 0788-2381858, 2381859, 60, 61, 62
F A X : 0 7 8 8 - 2 2 8 6 6 7 9

JAYASWAL NECO INDUSTRIES LIMITED

Regd. Office : F-8, M.I.D.C. INDUSTRIAL AREA, HINGNA ROAD, NAGPUR - 440 016.

Tel : (07104) 237276, 237471, 237472 Fax : (07104) 237583, 236255

E-mail : contact@necoindia.com, Web site : www.necoindia.com,



NOTICE

NOTICE is hereby given that Extraordinary General Meeting of the Members of **Jayaswal Neco Industries Limited** will be held on **Friday the 21st day of March, 2014 at 12.30 P.M.** at the Registered office of the Company at F-8, MIDC Industrial Area, Hingna Road, Nagpur-440016 to transact the following business.

Special Business

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

FURTHER ISSUE OF SHARES ON PREFERENTIAL BASIS:

"**RESOLVED** pursuant to the provisions of Section 81(1A) and other applicable provisions if, any; of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), read with The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, ("the Regulations") as amended and subject to the requisite approvals of BSE Limited, National Stock Exchange of India Limited and other regulatory approvals as may be necessary, and subject to such conditions and modifications as may be prescribed by any or all of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors ("the Board") of the Company which includes a duly constituted committee thereof, **THAT** the consent of the Company be and is hereby accorded to the Board to issue and allot out of its un-issued Equity Share Capital, 68800000 (Six Crore Eighty Eight Lacs) Equity Shares of Rs. 10/- each at a Premium of Rs. 15/- per Share to select Group of Companies as per the following:

Sr. No.	Name of the Allottees	No. of Shares
A) Promoter Group Entities:		
1	Avon Sales and Services Private Limited	5280000
2	Anurag Sales and Services Private Limited	5680000
3	Apex Spinning Mills Private Limited	5840000
4	Nine Star Plastic Packaging Services Private Limited	4600000
5	Karamveer Impex Private Limited	5200000
6	Jayaswal Neco Metallica Private Limited	5120000
7	Jayaswal Neco Energy Private Limited	5320000
8	Jayaswal Neco Power Private Limited	3232000
9	Jayaswal Neco Infrastructures Private Limited	6400000
	Sub Total (A)	46672000
B) Non Promoter Group Entities:		
10	Efficient Structures Private Limited	5600000
11	Costal Multitrading Private Limited	6288000
12	Rajvardhan Trade Zone Private Limited	6400000
13	Darshan Gems Private Limited	1920000
14	Salmon Developers Private Limited	1920000
	Sub Total (B)	22128000
	Grand Total (A+B)	68800000



from whom the amount of Rs. 25/- per share has been received by the Company for the shares proposed to be allotted, in such manner, form and number to such incorporated bodies whether or not such corporate bodies are members of the Company; upon such terms and conditions as the Board may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the Relevant Date as per the Regulations for the determination of price of the Equity Shares to be issued and allotted referred to above, is 30 days prior to the date of this Extra Ordinary General Meeting i.e. 19th February, 2014."

"RESOLVED FURTHER THAT the issue and allotment of Equity Shares on preferential basis to the proposed allottees shall rank pari-passu with the existing Equity Shares of the Company in all respects and be subject to Memorandum and Articles of Association of the Company, the provisions prescribed under the Regulations and the Listing Agreements entered into by the Company with the Stock Exchanges."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to settle all questions and difficulties that may arise in regard to the offer, issue or allotment of Equity Shares as above and utilization of the proceeds of issue and to do all such acts, deeds, things, and matters and to take all such steps and actions as it may in its absolute discretion deem fit and necessary without being required to seek any further consent or approval of the Members."

2. To consider and if thought fit to pass with or without modifications the following resolution as **Special Resolution.**

APPOINTMENT OF SHRI ARBIND JAYASWAL, MANAGING DIRECTOR :

"RESOLVED pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII to the Companies Act, 1956 and all other applicable provisions of the said Act (including any statutory modifications or re-enactment thereof for the time being in force) and further subject to approval of Term Loan lending Institutions and Banks who have lent Term Loans and Working Capital Facilities to the Company and such terms and conditions, as may be stipulated by the Financial Institutions, Banks and other Authorities, if any; while conveying their approval to the aforesaid appointment, as may be agreed to by the Board of Directors and the Appointee in that behalf **THAT** the Consent of the Company, be and is hereby accorded to the appointment of SHRI ARBIND JAYASWAL ("the Appointee") as Managing Director of the Company for a period of 3 years from 1st day of January, 2014 to 31st December, 2016 on the terms and conditions including remuneration as are set out in the Agreement to be entered into between the Company and the Appointee, a draft whereof is placed before this Meeting and initiated by the Chairman, for the purpose of identification and which draft is hereby approved with the authority to the Board of Directors to alter and vary the terms and conditions including remuneration of the said Appointment and / or Agreement so as not to exceed the limits if any, specified in Part II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactment thereof as the case may be."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby also authorized to take such steps, actions and do things, deeds, matters as may be required or are necessary so as to give effect to this Resolution."

3. To consider and if thought fit to pass with or without modifications the following resolution as **Special Resolution.**

APPOINTMENT OF SHRI RAMESH JAYASWAL, JOINT MANAGING DIRECTOR :

"RESOLVED pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII to the Companies Act, 1956 and all other applicable provisions of the said Act (including any statutory modifications or re-enactment thereof for the time being in force) and further subject to approval of Term Loan lending Institutions and Banks who have lent Term Loans and Working Capital Facilities to the Company and such terms and conditions, as may be stipulated by the Financial Institutions, Banks and other Authorities, if any; while conveying their approval to the aforesaid appointment, as may be agreed to by the Board of Directors and the Appointee in that behalf **THAT** the Consent of the Company, be and is hereby accorded to the appointment of SHRI RAMESH JAYASWAL ("the Appointee") as Joint Managing Director of the Company for a period of 3 years from 1st day of January, 2014 to 31st December 2016 on the terms and conditions including remuneration as are set out in the Agreement to be entered into between the Company and the Appointee, a draft whereof is placed before this Meeting and initiated by the Chairman, for the purpose of identification and which draft is hereby approved with the authority to the Board of Directors to alter and vary the terms and conditions including remuneration of the said Appointment and / or Agreement so as not to exceed the limits specified in Part II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactment thereof as the case may be."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby also authorized to take such steps, actions and do things, deeds, matters as may be required or are necessary so as to give effect to this Resolution."

4. To consider and if thought fit to pass with or without modifications the following resolution as **Special Resolution.**

APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER:

"RESOLVED pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII to the Companies Act, 1956 and all other applicable provisions of the said Act (including any statutory modifications or re-enactment thereof for the time being in force) and further subject to the such statutory approvals and terms and conditions as may be stipulated by the members while granting approvals in that behalf **THAT** the Consent of the Company, be and is hereby accorded for the appointment of SHRI PRAMOD KUMAR BHARDWAJ ("the Appointee") as a Executive Director and Chief Financial Officer of the Company for a period of 3 years from 25th February, 2014 to 24th February 2017 on the terms and conditions including remuneration as are set out in the Agreement to be entered into between the Company and the Appointee, a draft whereof is placed before this Meeting and initialed by the Chairman, for the purpose of identification and which draft is hereby approved with the authority to the Board of Directors to alter and vary the terms and conditions including remuneration of the said Appointment and / or Agreement so as not to exceed the limits specified in Part II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactment thereof as the case may be."



"RESOLVED FURTHER THAT the Board of Directors, be and is hereby also authorized to take such steps, actions and do things, deeds, matters as may be required or are necessary so as to give effect to this Resolution."

By Order of the Board of Directors

Dated: 10th February, 2014
Registered Office:
F-8, MIDC Industrial Area
Hingna Road, Nagpur-440016

A D Karajgaonkar
Company Secretary

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business above is attached herewith.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
3. Instruments appointing proxy or proxies duly filled in, stamped & signed should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

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

ITEM NO 1: FURTHER ISSUE OF SHARES ON PREFERENTIAL BASIS

As the Members are aware, the Company has taken up ambitious expansion projects in the State(s) of Chhattisgarh and Maharashtra as and by way of development of its mines and expansion of its manufacturing capacities by setting up various additional Steel and Waste Heat Recovery Based Power Plants and other allied projects and capex schemes; aimed at achieving smoother operations, removing bottlenecks, reducing dependence on hired equipments and overall higher operational efficiencies. On completion of the projects, the Company would be in position to increase its overall strength and competitiveness to withstand the ups and downs in the industry and add to its earning capacity.

The Company has already achieved financial closures for the projects referred to above and part disbursements thereagainst have been availed.

The works on various project sites in Chhattisgarh and Maharashtra are in progress. The Company has already awarded EPC contracts. Deliveries of critical equipments have commenced and land and site development and other related works for the projects are moving in sync with the delivery schedules of the equipments. Some of the projects are facing time delays. The Company is however committed to commission projects as soon as possible.

The Company has till date raised about Rs. 1033 Crores as equity contribution for the said projects. As part of contribution towards further Equity, some of the Promoter Group entities and other corporate bodies have brought in monies for part funding the said project. It is now proposed to issue further Equity Shares on Preferential basis towards monies brought in by them.

The Directors place before the Members the resolution as proposed and seek under Section 81(1A) of the Companies Act, 1956, their consent and authority to issue shares as contemplated.

In Compliance with the provisions of Regulation 72 and 73 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended, the following further details are being furnished:

(a) OBJECT OF THE ISSUE

The object of the present issue of Equity Shares is to Part finance cost of projects of the Company in Steel, Mining and Power sectors and augment working capital margins.

b) INTENTION OF THE PROMOTERS / DIRECTORS / KEY MANAGEMENT PERSONS TO SUBSCRIBE TO THE PREFERENTIAL OFFER

Promoters through their existing bodies corporate are subscribing to 46672000 Equity Shares out of the total 68800000 Equity Shares being issued on preferential basis. Directors and Key managerial personnel do not propose to subscribe to the offer in their personal capacities.

c) SHARE HOLDING PATTERN OF THE COMPANY BEFORE AND AFTER THE ISSUE OF SHARES ON PREFERENTIAL BASIS

Category of Shareholders	Before Issue		After issue	
	No of Equity Shares	Percentage	No of Equity Shares	Percentage
A) Promoter Group	365230841	68.93	411902841	68.81
Sub - Total (A)	365230841	68.93	411902841	68.81
B) Public Shareholdings				
i) Financial Institution and Mutual Funds and Others	15378281	2.90	15378281	2.57
ii) NRIs	625987	0.12	625987	0.10
iii) Other Bodies Corporate	91579168	17.29	113707168	18.99
iv) Individuals and Others	57018786	10.76	57018786	9.53
Sub-Total (B)	164602222	31.07	186730222	31.19
TOTAL (A+B)	529833063	100.00	598633063	100.00

d) PROPOSED TIME WITHIN WHICH THE ALLOTMENT WILL BE COMPLETED

The proposed issue will be completed within 15 days from the date of passing of the resolution. In the event any of the regulatory approvals sought by the Company does not come within the said 15 days, then as per the proviso to Regulation 74, the 15 days period shall stand postponed and will be reckoned from the date of receipt of such approval or permission, as the case may be from the regulatory authorities concerned.



e) IDENTITY OF THE PROPOSED ALLOTTEES AND THE PERCENTAGE OF POST PREFERENTIAL ISSUE CAPITAL THAT MAY BE HELD BY THE ALLOTTEES

Sr. No.	Identity of the Allottees	Number of Equity Shares and % of Total Paid up Equity Capital (Pre- issue)	Number of Equity Shares to be allotted	Number of Equity Shares and % of Total Paid up Equity Capital (Post-issue)	Change in percentage After issue
A) PROMOTER GROUP ENTITIES					
1.	Avon Sales And Services Pvt. Ltd. 422, Tulsiani Chamber, Nariman Point, Mumbai-400021	30815000	5280000	36095000	0.21
		5.82		6.03	
2.	Anurag Sales and Services Pvt. Ltd. 422, Tulsiani Chamber, Nariman Point, Mumbai - 400021	30091000	5680000	35771000	0.30
		5.68		5.98	
3.	Apex Spinning Mills Pvt. Ltd. 422, Tulsiani Chamber, Nariman Point, Mumbai-400021	26559600	5840000	32399600	0.40
		5.01		5.41	
4.	Nine Star Plastic Packaging Services Pvt. Ltd. 422, Tulsiani Chamber, Nariman Point, Mumbai - 400021	36974600	4600000	41574600	-0.04
		6.98		6.94	
5.	Karamveer Impex Pvt. Ltd. Trust House, 5th Floor, 32-A, Chittaranjan Avenue, Kolkata - 700012	39069000	5200000	44269000	0.03
		7.37		7.40	
6.	Jayaswal Neco Metalics Pvt. Ltd. Trust House, 5th Floor, 32-A, Chittaranjan Avenue, Kolkata – 700012	32790500	5120000	37910500	0.14
		6.19		6.33	
7.	Jayaswal Neco Energy Pvt. Ltd. Trust House, 5th Floor, 32-A, Chittaranjan Avenue, Kolkata - 700012	31312000	5320000	36632000	0.21
		5.91		6.12	
8.	Jayaswal Neco Power Pvt. Ltd. F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440016	29722500	3232000	32954500	-0.11
		5.61		5.50	
9.	Jayaswal Neco Infrastructures Pvt. Ltd. F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440016	24625500	6400000	31025500	0.53
		4.65		5.18	
	Total (A)	281959700	46672000	328631700	1.67
		53.22		54.89	

B) NON PROMOTER GROUP ENTITIES					
10.	Efficient Structures Private Limited Plot No. 141, Rajendra Nagar, Near Hingna Naka, Jaitala, Nagpur – 440 016	19662353	5600000	25262353	0.51
		3.71		4.22	
11.	Costal Multitrading Private Limited Plot No. 141, Rajendra Nagar, Near Hingna Naka, Jaitala, Nagpur – 440 016	16512353	6288000	22800353	0.69
		3.12		3.81	
12.	Rajvardhan Trade Zone Private Limited Plot No. 141, Rajendra Nagar, Near Hingna Naka, Jaitala, Nagpur – 440 016	16712353	6400000	23112353	0.71
		3.15		3.86	
13.	Darshan Gems Private Limited Plot No. 141, Rajendra Nagar, Near Hingna Naka, Jaitala, Nagpur – 440 016	12000000	1920000	13920000	0.06
		2.26		2.32	
14.	Salmon Developers Private Limited Plot No. 141, Rajendra Nagar, Near Hingna Naka, Jaitala, Nagpur – 440 016	12125000	1920000	14045000	0.06
		2.29		2.35	
Total (B)		77012059	22128000	99140059	2.03
		14.53		16.56	
Total (A+B)		358971759	68800000	427771759	3.71
		67.75		71.45	

f) THE NATURAL PERSONS WHO ARE THE ULTIMATE BENEFICIAL OWNERS OF THE SHARES PROPOSED TO BE ALLOTTED AND / OR WHO ULTIMATELY CONTROL OF THE PROPOSED ALLOTTEES.

PROMOTER GROUP ENTITIES: All the proposed allottees under Group (A) above are under ultimate control of the Promoters of the Company namely Shri Basant Lall Shaw, Shri Arbind Jayaswal, Shri Ramesh Jayaswal, Mrs. Nisha Jayaswal and Mrs. Rita Jayaswal and their relatives.

NON-PROMOTER GROUP ENTITIES: All the proposed allottees under Group (B) above are under ultimate control of Shri Rajesh Kumar Saha and Shri Bharat Bhushan Mehta, Directors of the said entities.

The proposed Allottees are not in terms of the Regulations, disqualified to acquire the Equity Shares proposed to be offered to them. There will be no substantial change in the control of the Company subsequent to preferential issue and allotment of Equity Shares.



g) RECOMPUTATION OF PRICE /AMOUNT PAYABLE

As the shares of the Company have been listed on the Stock Exchanges for more than six months, the conditions relating to recomputing the price and other matters connected therewith referred to in the Regulations are not applicable to the Company.

h) LOCK-IN PERIOD

The Equity Shares to be issued as above shall in terms of the Regulations be subject to lock-in period of 3 years for the allottees under Group (A) i.e. Promoter Group entities and 1 year for allottees under Group (B) i.e. Non Promoter Group entities from the date of Trading Approval.

i) RELEVANT DATE

Relevant date as per Regulation 71 of the Regulations read with explanation thereto, for the purpose of preferential issue means the date thirty days prior to the date on which the Meeting of Shareholders is held in terms of Section 81(1A) of the Companies Act, 1956 to consider the proposed issue, which relevant date, in the present case, is 19th February, 2014.

The Board of Directors of the Company has been advised that the proposed issue will be in the larger interest of the Company and it has approved issue of shares on preferential basis to the proposed allottees at its Meeting held on 10th February, 2014.

M/s. Agrawal Chhallani & Co., Chartered Accountants, Statutory Auditors of the Company have verified the proposal and certified vide their certificate dated 10th February, 2014 that the issue of Equity Shares is being made in accordance with the Regulations.

The Board of Directors of the Company recommends the approval of the resolution by the Members as proposed.

The certificate of the Statutory Auditor of the Company certifying that the issue is being made in accordance with the Regulations, is available for inspection at the Registered Office of the Company on all working days during normal working hours upto the date of the Extra Ordinary General Meeting.

S/Shri B L Shaw, Arbind Jayaswal and Ramesh Jayaswal, Directors, and their relatives hold not less than 2% Equity Shares in the proposed allottees under Group (A) above and are interested in or concerned with the resolution to the extent of allotment of shares to the allottees belonging to the promoter group. No other Directors their relative or Key Managerial Personnel are interested in or concerned with the resolution.

ITEM NO 2 AND 3: APPOINTMENTS OF MANAGING AND JOINT MANAGING DIRECTOR

The Board of Directors at its Meeting held on 10th February, 2014 has, subject to the approval of Financial Institutions, Banks etc. and also the approval of Members by Special Resolutions in Extra Ordinary General Meeting, approved the Appointment of Shri Arbind Jayaswal and Shri Ramesh Jayaswal as Managing and Joint Managing Director respectively for a period of 3 (Three) years from 1st January, 2014 to 31st December, 2016. While Shri Arbind Jayaswal, Managing Director, shall not, during the period of appointment be liable to retire by rotation, Shri Ramesh Jayaswal,

Joint Managing Director, shall be liable to retire by rotation in accordance with the provisions of Section 255 of the Companies Act, 1956. However, the tenure of his appointment as Joint Managing Director would continue uninterruptedly subject to his appointment as Director liable to retire by rotation during such term of his appointment.

DETAILS OF DIRECTORS SEEKING APPOINTMENTS/REAPPOINTMENT:

Name of Directors	Shri Arbind Jayaswal	Shri Ramesh Jayaswal
Date of Birth	26.11.1953	02.02.1960
Designation	Managing Director	Joint Managing Director
Date of Appointment	28.11.1972	05.03.1983
Qualification	B.Sc	B.Com
Experience in Specific Functional Areas	Associated with Iron and Steel business for over 35 years. Looks after the administrative, accounts, technical and other allied matters.	Associated with Iron and Steel business for over 25 years. Looks after the implementation of new projects and other allied matters.
Other Directorships(Major)	1. Maa Usha urja Limited 2. Neco Heavy Engineering and Castings Limited 3. Jayaswal Holdings Private Limited 4. Jayaswal Neco Urja Limited	1. Maa Usha urja Limited 2. Neco Heavy Engineering and Castings Limited 3. Jayaswal Holdings Private Limited 4. Jayaswal Neco Urja Limited 5. Deify Infrastructures Limited 6. Terra Projects Limited
No of Shares held in the Company	2397920	2397920

The Draft Agreements to be entered into by the Company with the said appointees, severally in respect of their appointments as proposed, inter-alia, contain the following terms and conditions and remuneration; for a period of 3 years w. e. f. 1st January, 2014.

A Shri Arbind Jayaswal and Shri Ramesh Jayaswal shall function as Managing and Joint Managing Director respectively within the meaning of Section 2 (54) of the Companies Act, 2013 and they shall be entrusted with substantial powers of Management in the day to day business and affairs of the Company. They shall devote their whole time attention to the business of the Company and carry out their functions with utmost diligence and prudence.

B Terms and Conditions of Appointment (for each of them):

- a. Period of Appointment : 3 years with effect from 01.01.2014
- b. Remuneration : Rs. 495000 per month in the pay scale of 300000 – 30000 – 450000 – 45000 – 675000 – 67500 – 1012500 – 101250 – 1518750
- c. Allowances : House Rent Allowance, Children's Education Allowance, Conveyance Allowance, Ex-gratia Allowance, Personal Pay Allowance as per the rules of the company



- d. Perquisites : Contribution to Provident Fund, Gratuity, Leave encashment, Leave Travel Concession, Reimbursement of medical expenses for self and family, Telephone and car for office use, Club Membership (one) as per the rules applicable to senior cadre personnel of the Company.
- e. Commission : upto 3% of the net profit as per section 349 of the Act.
- f. Notice period : 6 months from either side.
- g. Minimum Remuneration : In the event of losses or inadequate profits, Salary allowances and perquisites as above.
- h. Revision of remuneration : Revision may be considered from time to time subject to limits set out in the Act

Provided that the remuneration payable to the Managing Director and Joint Managing Director (including the salary, commission, perquisites, benefits and amenities) shall not exceed the limits laid down in sections 198, 309, and other applicable provisions of the Companies Act, 1956, including any statutory modifications or re-enactment thereof.

3. Gratuity payable shall not exceed half a month's salary for each completed year of service.
4. The Appointee shall be entitled to leave on full pay and allowances as per the rules of the Company.
5. The Board of Directors shall be empowered to alter and vary the terms and conditions including remuneration of the said Appointment and / or Agreement so as not to exceed the limits specified in Part II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactment thereof as the case may be.

Draft of the Agreements proposed to be entered into with the Appointee are available for inspection at Registered Office during normal business hours on working days.

None of the Directors of the Company except S/Shri B L Shaw, Arbind Jayaswal, Ramesh Jayaswal and their relatives and key Managerial Personnel are interested in or concerned with the resolutions.

ITEM NO 4: APPOINTMENT OF EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER :

As the Members are aware, Mr. Pramod Kumar Bhardwaj ("the Appointee") is working with the Company since Last 7 years as a Chief Financial Officer and as Executive Director and Chief Financial Officer from last 3 years. He is a fellow member of Institute of Chartered Accountants of India and possesses a rich and varied experience in Accountancy, Finance and Management. Keeping in view the key role to be played by him in Steel Plant Division and upcoming projects of the Company the Board of Directors at its Meeting held on 10th February, 2014 has, subject to the approval of Members by Special Resolution in Extra Ordinary General Meeting, approved his Appointment as Executive Director and Chief Financial Officer for a further period of 3 (Three) years from 25th February, 2014 to 24th February 2017.

The Draft Agreement to be entered into by the Company with the appointee, inter-alia, contain the following terms and conditions and remuneration; for a period of 3 years w. e. f. 25th February, 2014.

A. Shri Pramod Kumar Bhardwaj, Executive Director and Chief Financial Officer shall function as Whole Time Director within the meaning of Section 2(94) of the Companies Act, 2013 and shall not be liable to retire by rotation. He shall be entrusted with substantial powers of Management in the day to day business and affairs of the Company. He shall devote his whole time attention to the business of the Company and carry out his functions with utmost diligence and prudence.

B. Terms and Conditions of Appointment :

- a. Designation : Executive Director and Chief Financial Officer
- b. Period of Appointment : 3 years with effect from 25.02.2014
- c. Remuneration : Rs. 175000 per month (w. e. f. 01.04.2014) in the pay scale of 100000 – 10000 – 150000 – 12500 – 212500 – 15000 – 287500 – 17500 – 375000
- d. Allowances : House Rent Allowance, Children's Education Allowance, Conveyance Allowance, special allowance, Personal Pay Allowance as per the rules of the company
- e. Perquisites : Contribution to Provident Fund, Gratuity, Leave encashment, Leave Travel Concession, Reimbursement of medical expenses for self and family, Telephone and Car for office use etc as per the rules applicable to senior cadre personnel of the Company.
- f. Notice period : 3 months from either side.
- g. Minimum Remuneration : In the event of loss or inadequate profits, Salary, Allowances and Perquisites as above. Salary and perquisites as above.
- h. Revision of remuneration : Revision may be considered from time to time subject to limits set out in the Act.

Provided that the remuneration payable to the Executive Director and Chief Financial Officer (including the salary, perquisites, benefits and amenities) shall not exceed the limits laid down in sections 198, 309, and other applicable provisions of the Companies Act, 1956, including any statutory modifications or re-enactment thereof.

It is clarified to the Members that the pay and allowances as are admissible at present shall continue to be payable without any changes for the period from 25.02.2014 to 31.03.2014 and the revised pay and allowance as above shall be payable for the period from 01.04.2014 till 24.02.2017.

Draft of the Agreements proposed to be entered into with the Appointee are available for inspection at Registered Office during normal business hours on working days.

None of the Directors of the Company except Shri P K Bhardwaj is interested in or concerned with the resolutions.

To,

If undelivered please return to :



JAYASWAL NECO INDUSTRIES LIMITED

Regd. Office : F-8, M.I.D.C. Industrial Area,
Hingna Road, Nagpur-440 016.
Tel : (07104) 237276, 237471, 237472
Fax : (07104) 237583, 236255
E-mail : contact@necoindia.com
Web site : www.necoindia.com,