

NOTICE

The 55th Annual General Meeting of Nesco Limited will be held in IT building 3 of Nesco IT Park at the registered office of the Company at Nesco Complex, Western Express Highway, Goregaon (East), Mumbai 400063 on Wednesday, 20 August 2014 at 3.00 pm to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31 March 2014 and the Profit and Loss account for the year as on that date together with the report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Mrs. Sudha S. Patel, who retires by rotation and being eligible offers herself for re-appointment.

Special Business

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 sections 149,152, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and clause 49 of the listing agreement, Dr. Ram S. Tarneja, (DIN 00009395), in respect of whom the Company has received notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office upto five consecutive years up to 31 March, 2019."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
"RESOLVED THAT pursuant to sections 149,152, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and clause 49 of the listing agreement, Mr. K. S. Srinivasa Murty (DIN 00499663) in respect of whom the Company has received notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office upto five consecutive years up to 31 March, 2019."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
"RESOLVED THAT pursuant to sections 149,152, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and clause 49 of the listing agreement, Mr. Mahendra K. Chouhan, (DIN 00187253), in respect of whom the Company has received notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office upto five consecutive years up to 31 March, 2019."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
"RESOLVED THAT pursuant to sections 149, 152, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and clause 49 of the listing agreement, Mr. Jai S. Diwanji (DIN 00910410), in respect of whom the Company has received notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office upto five consecutive years up to 31 March, 2019."
8. To consider and if thought fit, to pass, with or without modifications, the following resolution as special resolution:
"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions if any, of the Companies Act, 2013, M/s Manubhai & Shah, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this annual general meeting upto the conclusion of next annual general meeting in place of retiring Auditors M/s. Shah & Co., Chartered Accountants, to audit the accounts of the Company for the financial year 2014-2015 at the remuneration to be fixed by the Board of Directors on the recommendation of the Audit Committee of Directors."
9. 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 contained in section 188 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013, the consent of the members be and is hereby accorded for entering into Leave and License agreement for the land with building situated at Karamsad, District Anand, Gujarat, which land is presently owned by Mr. Sumant J. Patel (Chairman & Managing Director), against payment of annual license fee to him".
"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate the terms and conditions of the proposed Leave and License agreement as may be deemed fit and in the best interests of the Company and to perform and execute all such acts, deeds, matters and things including delegating such authority, as may be deemed necessary, proper and expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

By order of the Board of Directors

Dipesh R. Singhania
Chief Financial Officer and Compliance Officer
Mumbai, 28 May 2014

NOTES:

1. 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. PROXY IN ORDER TO BE EFFECTIVE THE PROXY FORM, DULY COMPLETED AND STAMPED, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. An explanatory statement pursuant to section 102(1) of the Companies Act, 2013 in respect of item no. 3 to 9 of the notice is annexed hereto.
3. The annual report will also be available on the website of the Company at www.nesco.in in the Investors Relations section.
4. The register of members and share transfer book of the Company will remain closed from Wednesday, 13 August 2014 to Wednesday, 20 August 2014 (both days inclusive), for the purpose of annual general meeting and determining the names of the shareholders eligible for dividend on equity shares, if declared at the meeting.
5. The Board of Directors in their Meeting held on 28 May, 2014 have recommended a dividend of 50% (Rs. 5/-) per share on equity share of Rs 10/- each, which if approved at the annual general meeting, will be paid on or before the 30th day from the date of AGM, to those shareholders whose names are appearing in the register of members on 12 August 2014.
6. As per the provisions of section 124 (5) of the Companies Act, 2013, money transferred to Unpaid Dividend Accounts of the Company and remaining unpaid / unclaimed over a period of 7 (seven) years from the date of such transfer shall be transferred to 'Investor Education and Protection Fund' and no claim will be entertained thereafter by the Company. Members are therefore requested to expeditiously put their claims for unclaimed dividends, if the dividends are not received / claimed by them.
7. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. All the Members are requested to:
 - i Intimate immediately any change in their address to Company's Registrar and Share Transfer Agent
Sharex Dynamic (India) Pvt. Ltd.,
Unit 1, Luthra Industrial Premises, Safed Pool,
Andheri Kurla Road, Andheri (East), Mumbai 400072
Tel: 022-28515606 / 44 Fax: 022-2851 2855
Email: sharexindia@vsnl.com Website: www.sharexindia.com
Members holding shares in the electronic form are advised to inform change in address directly to their respective depository participants.
 - ii Send all correspondence relating to transfer and transmission of shares to Registrar and Transfer Agent and not to the Company.
 - iii Quote their Folio No. / Client ID No. in their correspondence with the Registrar and Share Transfer Agents.
 - iv Send their queries to the Company at least 10 days in advance so that required information can be made available at the meeting.
 - v Intimate Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Pvt. Ltd. for consolidation of folios, in case having more than one folio.
 - vi Bring their copies of annual report and attendance slip with them at the meeting.
 - vii Members /Proxies should bring entrance pass duly filled for attending the meeting.
9. The Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) have advised all listed companies to mandatorily use the Electronic Clearing Services (ECS) mandate facility wherever possible for payment of dividend to the members. In view of this stipulation, the Company has implemented the ECS facility. Members holding shares in physical form are requested to provide the Company with ECS details for crediting the future dividend payment directly to their respective bank accounts. The Company will be able to co-ordinate with their bankers only on receipt of necessary information. The members holding shares in electronic form may instruct their depository participant's accordingly.
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered email id, bank details, NECS, mandates, nominations, power of attorney etc to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited, to provide efficient and better service to the members. Members holding shares in physical form are requested to advice such changes to the Company's Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited.
11. In order to provide protection against fraudulent encashment of the dividend warrants, shareholders holding shares in physical form are requested to intimate to the Company's Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited under the signature of the sole/first joint holder, the following information to be incorporated on the dividend warrants:

- i. Name of the sole / first joint holder and folio number
 - ii. Particulars of bank account, viz:
 - a. Name of the bank.
 - b. Name of the branch.
 - c. Complete address of the bank with pin code number.
 - d. Bank account number.
 - e. E-mail ID
12. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company's Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited for assistance in this regard.
13. Electronic copy of the Notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

The details and procedures for e-voting are attached with the annual report.

ANNEXURE TO THE NOTICE:

Explanatory Statement Pursuant to Section 102 (1) of the Companies Act, 2013.

Item No. 3

Details of Director seeking reappointment at the forthcoming annual general meeting pursuant to clause 49 of the listing agreement:

Particulars	Director
Name of the Director	Mrs. Sudha S. Patel
Date of Birth	25 May 1938
Date of Appointment	16.07.2001
Qualification	M. S. in Education Psychology from University of Southern California
Directorship held in Indian Public Companies as on 31.03.2014	NIL
Committee positions held in Indian Public Companies as on 31.03.2014	NIL
Number of shares held in the Company	914,944

Item no. 4 to 7

Dr. Ram S. Tarneja, Mr. K. S. Srinivasa Murty and Mr. Mahendra K. Chouhan are Independent Directors of the Company and have held said position for more than five years and Mr. Jai S. Diwanji is Independent Director of the Company and have held the said position for more than two years.

The Securities Exchange Board of India (SEBI) has amended clause 49 of the listing agreement inter alia stipulating the conditions for the appointment of Independent Directors by the listing Company.

It is proposed to appoint Dr. Ram S. Tarneja, Mr. K. S. Srinivasa Murty, Mr. Mahendra K. Chouhan and Mr. Jai S. Diwanji as Independent Directors of the Company pursuant to sections 149, 152, schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 upto five consecutive years up to 31 March, 2019.

Dr. Ram S. Tarneja, Mr. K. S. Srinivasa Murty, Mr. Mahendra K. Chouhan and Mr. Jai S. Diwanji are not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as Directors.

The Company has also received notices in writing from members along with deposits of requisites amount under Section 160 of the Act proposing the candidature of Dr. Ram S. Tarneja, Mr. K. S. Srinivasa Murty, Mr. Mahendra K. Chouhan and Mr. Jai S. Diwanji for office of Directors of the Company.

The Company has also received declaration from Dr. Ram S. Tarneja, Mr. K. S. Srinivasa Murty, Mr. Mahendra K. Chouhan and Mr. Jai S. Diwanji that they meet with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Act and under Clause 49 of the listing agreement.

Dr. Ram S. Tarneja, Mr. K. S. Srinivasa Murty, Mr. Mahendra K. Chouhan and Mr. Jai S. Diwanji are interested in the resolutions set out respectively at item no. 4 to 7 of the notice with regard to their respective appointment.

Brief profile of Dr. Ram S. Tameja, Mr. K. S. Srinivasa Murty, Mr. Mahendra K. Chouhan and Mr. Jai S. Diwanji is as follows

Name of the Director	Dr. Ram S. Tarneja
Date of joining the Board:	21/04/1976
Profile of the Director:	M.A.; Ph. D.
No. of shares held in the Company :	NIL
Directorships and Committee memberships in other companies:	12

Name of the Director	Mr. K. S. Srinivasa Murty
Date of joining the Board:	30/07/2007
Profile of the Director:	M.Tech IIT
No. of shares held in the Company :	NIL
Directorships and Committee memberships in other companies:	NIL

Name of the Director	Mr. Mahendra K. Chouhan
Date of joining the Board:	19/04/2005
Profile of the Director:	B.Sc., MBA(Finance)
No. of shares held in the Company :	150 shares of Rs. 10/- each
Directorships and Committee memberships in other companies:	6

Name of the Director	Mr. Jai S. Diwanji
Date of joining the Board:	03/11/2012
Profile of the Director:	Graduate in law from University of Cambridge; U.K.
No. of shares held in the Company :	NIL
Directorships and Committee memberships in other companies:	5

Item No. 8

Note on appointment of M/s Manubhai & Shah, Chartered Accountants, as Statutory Auditor:

M/s. Shah & Co., Chartered Accountants, retire as auditors of the Company on the conclusion of the ensuing annual general meeting. As per the provisions of section 139(2) of the Companies Act, 2013 a firm of Chartered Accountants who have been statutory auditors of the Company for more than 10 years cannot be reappointed and hence do not seek reappointment in view of section 139(2) of the Companies Act, 2013.

Based on the recommendation of the Audit Committee, the Board of Directors, has at its meeting held on 28 May 2014, recommended the appointment of M/s. Manubhai & Shah, Chartered Accountants as statutory auditor of the Company for the financial year 2014-2015.

M/s. Manubhai & Shah have expressed their willingness to work as the Statutory Auditors of the Company, if appointed, and further confirmed that the said appointment would be in conformity with the provision of section 139 of the Companies Act, 2013.

Member's approval is being sought for the appointment of M/s. Manubhai & Shah, as the Statutory Auditors of the Company and to authorize the Board of Directors, on the recommendation of Audit Committee, to determine the remuneration payable to them.

None of the Directors are concerned or interested in this resolution. Your Directors recommend the resolution for your approval.

Item no. 9

Note on entering into Leave and License agreement with Mr. Sumant J. Patel under section 188 of the Companies Act, 2013:

Indabrador Division's one manufacturing unit at Karamsad, District Anand, Gujarat, is situated on 16,185 sq. mtr. (i.e. approx. 1,74,150 sq. ft. or 4.0 acres) land which was earlier owned by JV Patel & Co (partnership firm). Aforesaid land was leased to Indabrador Limited in 1974 at Rs. 24,000/- per annum rent. Indabrador Limited constructed factory and office building on this land. Indabrador Limited was merged with Nesco Limited in 2005. JV Patel & Co., partnership firm is now dissolved and the land is transferred to Mr. Sumant J. Patel with effect from 09 May 2012. The Company wants to continue to occupy the land for several manufacturing activities in these premises and hence proposes to execute a Leave and License agreement with Mr. Sumant J. Patel against payment of annual license fee of Rs. 20,00,000/- for a tenure of 3 years.

The value of land with building as per the ready reckoner rate is Rs. 10,725/- per sq. mtr. Recently a sale has taken place at Rs. 11,120/- per sq. mtr.. for land with building in the same location. Against the market value of around Rs. 18 crores, license fee of Rs. 20,00,00 per year for a period of 3 years with effect from 09 May 2012 is proposed.

The Audit Committee and the Board of Directors have approved the proposed Leave & License agreement. The Board of Directors accordingly recommends the resolution set out in the accompanying notice for approval by Shareholders of the Company.

Mr. Sumant J. Patel, Mrs. Sudha S. Patel & Mr. Krishna S. Patel are deemed to be concerned or interested in the resolution.