

**MINUTES OF THE 52ND ANNUAL GENERAL MEETING OF INDIAN METALS & FERRO ALLOYS LIMITED HELD ON TUESDAY, THE 22ND JULY, 2014 AT 3.00 PM AT THE REGISTERED OFFICE OF THE COMPANY AT IMFA BUILDING, BHUBANESWAR-751010, ODISHA.**

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**DIRECTORS PRESENT:**

1. Dr B Panda, Executive Chairman
2. Mr Subhrakant Panda, Managing Director
3. Mr J K Misra, Director(Corporate) & COO
4. Mr C R Ray, Whole-time Director
5. Mrs Paramita Mahapatra
6. Mr N R Mohanty
7. Major R N Misra (Retd)
8. Dr S Acharya
9. Mr S P Mathur

In all there were 41 shareholders in person present in the meeting.

**IN ATTENDANCE**

Mr Prem Khandelwal, CFO & Company Secretary

The meeting commenced with welcome address by Company Secretary. He further announced that the statutory registers / documents as required under the provisions of the Companies Act, 2013 have been kept open at the meeting place.

**CHAIRMAN**

Dr B Panda, Executive Chairman presided over the meeting. After ascertaining that necessary quorum was present, the Chairman called the meeting to order.

**The Chairman then addressed to the members as follows:**

Ladies & Gentlemen,

It gives me great pleasure in welcoming you all to the 52<sup>nd</sup> Annual General Meeting of your Company. The Annual Report for the year ended 31<sup>st</sup> March 2014 has been with you for some time now so, with your permission, I shall take it as read.

**Review of Performance**

I would now like to highlight some key aspects of the year under review :

- Revenue touched an all time high of Rs 1317.85 crores while EBITDA increased by 21% to Rs 320.69 crores. However, PAT was lower due to higher interest and depreciation on account of capitalisation of the 120 MW captive power plant.
- Foreign exchange earnings breached the thousand crore mark for the first time and stood at Rs 1073.75 crores for the year under review.



- Production of ferro chrome during the year under review was 14% higher at 198,063 tonnes.
- Power generation was 15% higher at 910 million units while chrome ore raising was 29% higher at 505,172 tonnes.

### **New Projects**

The captive coal block being developed by Utkal Coal Ltd (UCL), an SPV, is at a virtual standstill on account of the continuing delay by the Government of Odisha in approving the application for Grant Order which was filed in December 2011. UCL has since approached the Project Monitoring Group (PMG) of the Cabinet Committee of Investments, Government of India to expedite the process. It is pertinent to mention that the Government of Odisha has acknowledged UCL is fully compliant with all the statutory requirements and the State Government is only awaiting certain clarifications from the Central Government. As such, it is expected that the Grant Order will be received soon and mining lease will be executed within the current calendar year with operations commencing shortly thereafter.

I am pleased to inform you that the Company has started trial production at the Low Density Aggregate (LDA) plant put up at Choudwar to gainfully utilise fly ash from the captive power plants. LDA is an eco-friendly substitute for stone chips which are used in construction and is being produced in India for the first time demonstrating our pioneering spirit and commitment to the environment.

### **Outlook**

The chromium industry is at the crossroads buffeted by rising costs, stagnant prices and the dominance of China which is the largest producer of stainless steel and ferro chrome. However, historically, stainless steel has been one of the fastest growing commodities and this trend is likely to continue thereby auguring well for ferro chrome. Moreover, while it remains to be seen if the Chinese model is viable in the long term given that it is dependent on imported ore, there are challenges even in traditional ferro chrome producing countries. Therefore, the outlook is dependent upon circumstances pertaining to regions and individual companies.

Your Company is confident about the future given the integrated nature of its operations, its ideal location to cater to demand from the Far East which is the epicentre of the stainless steel industry at present as well as domestic demand when it picks up, and the focus on continuous improvement leading to greater efficiency.

### **Corporate Social Responsibility**

Your Company's social responsibility extends well beyond business and financial targets. The Bansidhar & Ila Panda Foundation has been set up to create economic and social opportunities for those at the bottom of the pyramid and particularly aims to create awareness among women and children about health, sanitation and education.

### **Industrial Relations**

I am pleased to inform you that industrial relations at all units were cordial during the year under review and, on behalf of your Directors, I acknowledge the co-operation and contribution of the entire workforce.



## **Acknowledgements**

On behalf of the Board of Directors and the Management, I would like to place on record your Company's sincere appreciation of the support extended by the Central & State Government and their agencies, term lenders & working capital bankers and the continuing patronage and support of all stakeholders.

Thank you,

Thereafter, the Chairman informed the members that the Company had extended the e-voting facility to the Members of the Company in respect of businesses to be transacted at the Annual General Meeting. The e-voting commenced at 9.00 a.m. on 16<sup>th</sup> July 2014 and ended at 6.00 p.m. on 18<sup>th</sup> July 2014. Mr Sourjya Prakash Mohapatra, Practicing Chartered Accountant was appointed as the Scrutinizer by the Board for scrutinizing the e-voting process.

Then the Chairman ordered for the poll on all Resolutions for the Ordinary and Special businesses as set out in items 1 to 8 of the Notice and requested all the members and proxy holders other than those who had voted through e-voting mechanism to participate in the poll process and appointed Mr Sourjya Prakash Mohapatra, Practicing Chartered Accountant as the Scrutinizer to conduct the poll process. He further informed that on receipt of Scrutinizer's Report, the results of voting shall be declared latest by 6.00 p.m. on 23<sup>rd</sup> July 2014.

## **Conduct of Poll:**

Mr Sourjya Prakash Mohapatra, Scrutinizer conducted the poll and after ensuring that all members and proxies participating in the poll had casted their votes, the Scrutinizer closed the poll at around 3.30 p.m. The Scrutinizer then took the custody of the polling box.

## **VOTE OF THANKS**

There being no other business to transact, the meeting was concluded with a vote of thanks to the Chair.

## **Result of the Electronic Voting and Poll on the Ordinary and Special Businesses at the Annual General Meeting of the Company held on Tuesday, the 22<sup>nd</sup> July 2014.**

On the basis of the Scrutinizer's Report for the Electronic Voting dated 19<sup>th</sup> July 2014 and the Scrutinizer's Report for the Poll at the Annual General Meeting dated 22<sup>nd</sup> July 2014, the summary of which is mentioned hereunder, the Chairman announced the results of voting on 23<sup>rd</sup> July 2014 that all the Resolutions for the Ordinary and Special businesses as set out in Item Nos.1 to 8 in the Notice of the 52<sup>nd</sup> Annual General Meeting of the Company have been duly passed by the requisite majority.



| Resolution Nos. as given in the Notice of the 52 <sup>nd</sup> Annual General Meeting   | Particulars of votes cast |                   |        |          |     |               |        | Result Declared                 |
|---|---------------------------|-------------------|--------|----------|-----|---------------|--------|---------------------------------|
|   |                           | Electronic Voting |        | Poll     |     | Voting Result |        |                                 |
|   |                           | Nos.(A)           | %      | Nos.(B)  | %   | Nos. (A + B)  | %      |                                 |
| <b>Ordinary Business</b>  |                           |                   |        |          |     |               |        |                                 |
| 1. Ordinary Resolution for adoption of Financial Statements, Reports of Board of Directors and Auditors of the Company for the year ended 31 <sup>st</sup> March 2014.  | Votes cast in favour      | 2499624           | 99.999 | 14280208 | 100 | 16779832      | 99.999 | Approved by requisite majority. |
|   | Votes cast against        | 3                 | 0.001  | -        | -   | 3             | 0.001  |                                 |
| 2. Ordinary Resolution for declaration of dividend for the financial year 2013-14.  | Votes cast in favour      | 2499624           | 99.999 | 14280208 | 100 | 16779832      | 99.999 | Approved by requisite majority. |
|   | Votes cast against        | 3                 | 0.001  | -        | -   | 3             | 0.001  |                                 |
| 3. Ordinary Resolution for re-appointment of Mr Alexius Markus Amrein (holding DIN: 00529345), who retires by rotation.   | Votes cast in favour      | 2343011           | 93.735 | 14280208 | 100 | 16623219      | 99.067 | Approved by requisite majority. |
|   | Votes cast against        | 156609            | 6.265  | -        | -   | 156609        | 0.933  |                                 |
| 4. Ordinary Resolution for appointment of M/s Haribhakti & Co., Chartered Accountants, as Auditors and fixing their remuneration.   | Votes cast in favour      | 2499624           | 99.999 | 14280208 | 100 | 16779832      | 99.999 | Approved by requisite majority. |
|   | Votes cast against        | 3                 | 0.001  | -        | -   | 3             | 0.001  |                                 |
| <b>Special Business</b>   |                           |                   |        |          |     |               |        |                                 |
| 5. Ordinary Resolution for appointment of Mr Sudhir Prakash Mathur (holding DIN: 00173775) as an Independent Director.  | Votes cast in favour      | 2499489           | 99.995 | 14280208 | 100 | 16779697      | 99.999 | Approved by requisite majority. |
|   | Votes cast against        | 131               | 0.005  | -        | -   | 131           | 0.001  |                                 |
| 6. Ordinary Resolution for appointment of General Shankar Roychowdhury (holding DIN: 01921688) as an Independent Director.  | Votes cast in favour      | 2499491           | 99.995 | 14280208 | 100 | 16779699      | 99.999 | Approved by requisite majority. |
|   | Votes cast against        | 128               | 0.005  | -        | -   | 128           | 0.001  |                                 |
| 7. Special Resolution for approval under Section 180(1)(c) of the Companies Act, 2013 for borrowing moneys upto Rs 2500 crores (Rupees twenty five hundred crores only) in excess of the aggregate of the paid up share capital and free reserves of the Company. | Votes cast in favour      | 2499592           | 99.999 | 14280208 | 100 | 16779800      | 99.999 | Approved by requisite majority. |
|   | Votes cast against        | 15                | 0.001  | -        | -   | 15            | 0.001  |                                 |
| 8. Ordinary Resolution for approval of remuneration of Cost Auditors  | Votes cast in favour      | 2499621           | 99.999 | 14280208 | 100 | 16779829      | 99.999 | Approved by requisite majority. |
|   | Votes cast against        | 6                 | 0.001  | -        | -   | 6             | 0.001  |                                 |

The Resolutions for the ordinary and special businesses as set out in Item Nos.1 to 8 in the Notice of the 52<sup>nd</sup> Annual General Meeting, duly approved by the members with requisite majority, are recorded hereunder as part of the proceedings of 52<sup>nd</sup> Annual General Meeting of the Members held on 22<sup>nd</sup> July 2014.

#### Ordinary Business:

#### ITEM NO.1: ORDINARY RESOLUTION FOR ADOPTION OF FINANCIAL STATEMENTS, REPORTS OF BOARD OF DIRECTORS AND AUDITORS OF THE COMPANY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014

"RESOLVED THAT the Financial Statements of the Company for the year ended 31<sup>st</sup> March 2014 including Audited Balance Sheet as at 31<sup>st</sup> March 2014 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and the Auditors thereon be and are hereby received, considered and adopted."

#### ITEM NO.2: ORDINARY RESOLUTION FOR DECLARATION OF DIVIDEND FOR THE FINANCIAL YEAR 2013-14

"RESOLVED THAT pursuant to recommendations made by the Board of Directors of the Company, a dividend of Rs 3/- per share on the fully paid equity shares of the Company



be declared and the said dividend be payable to all the shareholders whose names appear in the Register of Members as on 14<sup>th</sup> July 2014."

**ITEM NO.3: ORDINARY RESOLUTION FOR RE-APPOINTMENT OF MR ALEXIUS MARKUS AMREIN (HOLDING DIN: 00529345), WHO RETIRES BY ROTATION**

"RESOLVED THAT Mr Alexius Markus Amrein (holding DIN:00529345) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company."

**ITEM NO.4: ORDINARY RESOLUTION FOR APPOINTMENT OF M/S HARIBHAKTI & CO., CHARTERED ACCOUNTANTS, AS AUDITORS AND FIXING THEIR REMUNERATION**

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, M/s Haribhakti & Co., Chartered Accountants (Firm Registration No.103523W), be and are hereby appointed as the Auditors of the Company, to hold the office from the conclusion of this 52<sup>nd</sup> Annual General Meeting till conclusion of the 57<sup>th</sup> Annual General Meeting of the Company (subject to ratification of appointment by the members at every AGM held after this AGM) on a remuneration to be determined by the Board of Directors."

**Special Business:**

**ITEM NO.5: ORDINARY RESOLUTION FOR APPOINTMENT OF MR SUDHIR PRAKASH MATHUR (HOLDING DIN: 00173775) AS AN INDEPENDENT DIRECTOR**

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any 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) read with Schedule IV of the Companies Act, 2013 Mr Sudhir Prakash Mathur (holding DIN.00173775), Independent Director of the Company who retires by rotation at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years upto 31<sup>st</sup> March 2019."

**ITEM NO.6: ORDINARY RESOLUTION FOR APPOINTMENT OF GENERAL SHANKAR ROYCHOWDHURY (HOLDING DIN: 01921688) AS AN INDEPENDENT DIRECTOR**

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any 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) read with Schedule IV of the Companies Act, 2013 General Shankar Roychowdhury (holding DIN.01921688), Independent Director of the Company who retires by rotation at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years upto 31<sup>st</sup> March 2019."



**ITEM NO.7: SPECIAL RESOLUTION FOR APPROVAL UNDER SECTION 180(1) (C) OF THE COMPANIES ACT, 2013 FOR BORROWING MONEYS UPTO RS 2500 CRORES (RUPEES TWENTY FIVE HUNDRED CRORES ONLY) IN EXCESS OF THE AGGREGATE OF THE PAID UP SHARE CAPITAL AND FREE RESERVES OF THE COMPANY**

"RESOLVED THAT in supersession of all earlier resolutions and pursuant to Section 180(1)(c) and any 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), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs 2500 crores (Rupees twenty five hundred crores only)."

**ITEM NO.8: ORDINARY RESOLUTION FOR APPROVAL OF REMUNERATION OF COST AUDITORS**

"RESOLVED THAT pursuant to the provisions of Section 148 and any 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), the appointment of M/s S S Sonthalia & Co., Cost Accountants as Cost Auditor of the Company for the Financial Year 2014-15 on a remuneration of Rs 55,000 (Rupees Fifty Five Thousand only) plus service tax be and is hereby ratified."

**CHAIRMAN**

For Indian Metals & Ferro Alloys Ltd.

(Prem Khandelwal)  
CFO & Company Secretary

