



## *Notice to the Shareholders*

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NOTICE is hereby given that the Forty First (41) Annual General Meeting of the Members of NILACHAL REFRACTORIES LIMITED will be held at 12.30 P.M. on Tuesday, the 25<sup>th</sup> September 2018 at the Hotel Pushpak , Bhubaneswar to transact the following business.

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2018 and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Niraj Jalan who retires by rotation, and being eligible, offer himself for re-appointment.
3. 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 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to approval of shareholders at the general meeting, the Company hereby reappoint M/s. T More & Company, Chartered Accountant (Firm Registration No. 327844E), whose term of office expires at the ensuing Annual General Meeting as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2018-19 on such remuneration as may be determined by the Board of Directors.”

### **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 the provisions of Section 149, 152 and other applicable provisions if any, of the Companies Act, 2013 (‘the Act’) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Pradip Kumar Mohapatra (DIN 08067067), who was appointed as an additional director of the Company by the Board of Directors with effect from 14<sup>th</sup> February, 2018 in terms of Section 161 of the Act and the Articles of Association of the Company and eligible for appointment in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from September 25, 2018 up to September 24, 2023 .”

“**RESOLVED FURTHER THAT** any of the director of the company be and is hereby authorized to do all such acts, deeds and things as may be required for the above resolution.”

5. To consider and if though fit, to give assent/dissent to the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to provisions of sections 42, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under (including any statutory modification(s), amendments or re-enactment(s) thereof for the time being in force) and subject to the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendments or re-enactment(s) thereof for the time being in force) and other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and based on the recommendation of the Audit Committee, and subject to the approvals, permissions, sanctions from any regulatory and other appropriate authorities (including but not limited to the SEBI, RBI, the Government of India, etc.) and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, sanctions and consents, which may be agreed to by the Board of Directors (hereinafter referred to as the “Board”, which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution), the consent of the shareholders be and is hereby accorded for the conversion of existing unsecured Loan of Rs. 14,04,92,000 (Rupees Fourteen Crores Four Lakhs Ninety Two Thousand only ) of the below mentioned lenders (herein after referred to as Lenders) into 0% Optionally Convertible Debentures of Rs. 1000/- (Rupees One Thousand) each (hereinafter referred to as the “OCDs”) and on such other terms and conditions *inter alia* as enumerated in Item No. 5 of the Explanatory Statement as enclosed herewith forming part of the Notice.

<b>Name of the Lenders</b>	<b>Amount of Loan (Rs.)</b>
Ambarella Cap Fin Pvt. Ltd.	Rs. 2,75,53,000
P P Suppliers & Agencies Pvt. Ltd.	Rs. 3,29,22,000
Pushpak Dealcom Pvt. Ltd.	Rs. 2,83,50,000
Rudraksh Dealcom Pvt. Ltd.	Rs. 1,23,00,000
Think Finance Pvt. Ltd.	Rs. 3,03,17,000
Rajtilak Mercantile Pvt. Ltd.	Rs. 90,50,000

**RESOLVED FURTHER THAT** the subscription money in respect of OCDs to be offered to the Lenders has already been paid by them respectively by way of conversion of the Lender’s loan into OCDs. The payment of consideration for the allotment of OCDs shall be by appropriation of the outstanding loan due to the Lenders.

**RESOLVED FURTHER THAT** each OCD of Rs.1000/- may be converted into such number of equity shares of Rs.10/- each at fair value being not lower than the face value, as arrived at for the purpose of conversion as per the applicable laws in force, which can be exercised by the debenture holders after the expiry of the 5<sup>th</sup> year from the date of

allotment of OCDs and that the transfer of OCDs is restricted only to a company and cannot be made without the prior written consent of the Company.

**RESOLVED FURTHER THAT** the OCDs which are not converted and outstanding on the expiry of the tenure of the respective OCDs from the date of subscription shall subject to such terms and conditions as may be applicable, be redeemed at a premium as stated in the Terms.

**RESOLVED FURTHER THAT** the Equity Shares as allotted upon conversion of OCDs as aforesaid shall rank *pari-passu* in all respects with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the equity shares to be issued as a result of conversion of OCDs shall be listed and traded on BSE & CSE where the equity shares of the Company are currently listed.

**RESOLVED FURTHER THAT** the 'Relevant Date' for the purpose of determination of issue price of the equity shares arising out of conversion of OCDs, shall be determined pursuant to applicable law including Companies Act and the extant guidelines/regulations of SEBI and the RBI.

**RESOLVED FURTHER THAT** subject to the requirement under the SEBI ICDR Regulations and other applicable laws and regulation, the allotment of the equity shares as a result of conversion of OCDs shall be made only in dematerialized form or in such form as may be mutually agreed upon between the Company and the allottee or as per the terms as stipulated in the SPML S4A Agreement/document and in accordance with applicable law.

**RESOLVED FURTHER THAT** in accordance with the SEBI ICDR Regulations, 2009 including any amendment thereto, & the provisions of the Companies Act, 2013, the Company shall complete the allotment of the OCDs on or before the expiry of 12 months from the date of passing of the resolution by the shareholders or on receipt of the in-principal approval(s), if any, from the regulatory authority whichever is later.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board (which includes its Committee) be and is hereby authorized to agree, make and accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit, including, condition(s), modification(s) and alteration(s) stipulated or required by any relevant authorities or their bye-laws, rules, regulations or guidelines, and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such offer, issue and allotment, to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given approval thereto expressly by the authority of this resolution including deciding the dates of allotment, allotment in consonance with the SEBI ICDR Regulations, listing of the equity shares to be issued and allotted as a result of conversion of OCDs, and to modify, accept and give effect to any modifications to the terms and conditions of the issue, conversion of OCDs into equity shares of the Company, as may be required by the statutory, regulatory and other appropriate authorities including but not limited to SEBI, the RBI, etc. and such other approvals as

may be agreed by the Board, and to settle all questions, difficulties or doubts that may arise in the proposed issue, pricing of the issue, allotment and listing of the equity shares and to execute all such deeds, documents, writings, agreements, applications, forms in connection with the proposed issue as the Board may in its absolute discretion deem necessary or desirable.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred herein to any principle officer or Committee of Directors.”

**6. To consider and if thought fit, to give assent/dissent to the following resolution as Ordinary Resolution:**

“**RESOLVED** that pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and other applicable provisions, if any, of the Companies Act, 2013 (Act), and other applicable Rules, if any, and the Company’s policy on Related Party Transactions, the approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with the Lenders as mentioned in item no. 3 of the explanatory statement, who are related party of the Company within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for conversion of unsecured loan into Optionally Convertible Debentures on such term(s) and condition(s) as mentioned in item no. 3 of the explanatory statement, up to a maximum aggregate value of Rs. 15 crores provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to the Audit Committee of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

By Order of the Board  
**Nilachal Refractories Limited**

Krishna Sharma  
(Company Secretary)

Place : Kolkata

Date : August 21, 2018.

NOTES:

1. EVERY SHAREHOLDER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIS/HER AND SUCH PROXY NEED NOT BE A SHAREHOLDER. THE PROXY FORM COMPLETED IN EVERY RESPECT SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE TIME OF THE MEETING.

A Person can act as proxy on behalf of members not exceeding fifty and holding aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

2. REGISTER OF MEMBERS AND SHARE TRANSFER WILL BE CLOSED FROM 19<sup>th</sup> September, 2018 To 25<sup>th</sup> September, 2018 (BOTH DAYS INCLUSIVE).
3. Corporate Members are requested to send at Company's Registered Office, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
4. Explanatory Statement as per Section 102 of the Companies Act, 2013 is mentioned below:

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item no. 4: Appointment of Mr. Pradip Kumar Mohapatra (DN:08067067) as an Independent Director of the Company**

Mr. Pradip Kumar Mohapatra (DIN No-08067067) who has been appointed as an Additional Director of the Company pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from 14<sup>th</sup> February, 2018 holds office upto the date of this Annual General Meeting and is eligible for appointment as an Independent Director.

Mr. Pradip Kumar Mohapatra is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. Further Mr. Pradip Kumar Mohapatra fulfills the conditions of independence as specified in Section 149 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Pradip Kumar Mohapatra as Independent Director, for the approval by the shareholders of the Company.

Except Mr. Pradip Kumar Mohapatra, none of the Directors and Key Managerial Personnel of the Company and their relatives are interested, in the resolution set out at Item No. 4.

**Item no. 5: Approval of conversion of Unsecured Loan into 0% Optionally Convertible Debentures (OCDs)**

Your Company has borrowed Rs. 14,04,92,000/- (Rupees Fourteen Crores Four Lakhs Ninety Two Thousand only ) from time to time from the Lenders as an unsecured loan. In this regard, the Company has requested the Lenders to convert the said Unsecured Loan into Optionally Convertible Debentures(“OCDs”) on such terms and conditions as may be mutually agreed between the Company and the Lenders and the same was accepted by the respective Lender Companies. Accordingly, the Board of Directors of the Company at its meeting held on 21<sup>st</sup> August, 2018 has given consent, subject to approval of Members by way of Special Resolution, to convert Unsecured Loan of Rs.14,04,92,000 (Rupees Fourteen Crores Four Lakhs Ninety Two Thousand only ) into 1,40,492 unrated, unlisted, unsecured, 0% Optionally Convertible Debentures of Rs.1,000/- (Rupees One Thousand only) each on such terms and Conditions as mutually agreed by the Company & the Lenders, and incorporated in the Terms of Issue, a draft of which is open for inspection at the Registered Office of the Company during the office hours on any working days, except Saturdays and Sundays, between 10 a.m. and 5 p.m. up to the date of Annual General Meeting of the Company, and also at the Meeting.

The following disclosures as required under section 42 read with Rule 13(2) (d) of the Companies (Share Capital and Debentures) Rules, 2014 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations) and other applicable laws are as follows:

- (i) **Object of the Issue-** The Company has drawn plans to restructure its existing debt and to carry out its business activities, has requested the Lenders for conversion of their existing loan into Zero Coupon Optionally Convertible Debentures (OCDs) with face value of Rs.1000/-each at par for an amount aggregating to Rs. 14,04,92,000 (Rupees Fourteen Crores Four Lakhs Ninety Two Thousand only) for a period of 10 years as stated below.
- (ii) **Name of the Lenders, number of OCDs to be issued, amount to be raised** - The Board of Directors of the Company have proposed to make an offer of the Zero Coupon Optionally Convertible Debentures (OCDS) on the terms and conditions specified to the following Lenders. Further, since the transaction is that of conversion of loan, therefore, there is no fresh amount raised by way of such issue of OCDs. Further, the percentage of shares to be held by the allottees individually cannot be determined today since the same is subject to exercise of the option to convert by the debenture holders and the valuation of shares of the Company on the ‘Relevant Date’.

Name of the Lenders	Amount of Loan (Rs.)	Number of OCDs	Face Value	Tenure
Ambarella Cap Fin Pvt. Ltd.	Rs. 2,75,53,000	27,553	Rs. 1000/-	10 Years
P p Suppliers & Agencies Pvt. Ltd.	Rs. 3,29,22,000	32,922	Rs. 1000/-	10 Years
Pushpak Dealcom Pvt. Ltd.	Rs. 2,83,50,000	28350	Rs. 1000/-	10 Years

Rudraksh Dealcom Pvt. Ltd.	Rs. 1,23,00,000	12300	Rs. 1000/-	10 Years
Think Finance Pvt. Ltd.	Rs. 3,03,17,000	30317	Rs. 1000/-	10 Years
Rajtilak Mercantile Pvt. Ltd.	Rs. 90,50,000	9050	Rs. 1000/-	10 Years

- (iii) **Relevant Date-** The ‘Relevant Date’ under SEBI ICDR Regulations for the purpose of determination of issue price of the Equity Shares on the conversion of OCD’s shall be reckoned as per Regulation 71(b) which shall be 30 days prior to the Entitlement Date
- (iv) **Pricing and valuation of the preferential issue** - In accordance with Regulation 76A of Chapter VII of the SEBI ICDR Regulations, the Equity Shares to be issued and allotted (including as a result of conversion of securities) on a preferential basis shall be made at a price determined by the issuer after taking in to account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies and the same will be done in accordance with the SEBI ICDR Regulations and other applicable laws, if any.

The upfront equity shares shall be issued at a price not lower than the price as on the Relevant Date, determined as per SEBI ICDR Regulations.

The equity shares (arising out of conversion of OCDs) shall be issued at an issue price (including premium, if any) not lower than the price as on the Relevant Date determined in accordance with SEBI ICDR Regulations.

- (v) **Terms for Issue of OCDs of the Company as executed by the Company:**
- The OCDs will be convertible into Equity Shares at the option of the debenture-holders to be exercised any time after expiry of the 5<sup>th</sup> year from date of allotment, but before the same is due for redemption in terms hereof. The debentures shall be redeemed in the ratio of 30:30:40 on expiry of the 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> year respectively. The Debentures shall be redeemed at a premium of 20% on face value in proportion of the redeemed value. The Company may, however, redeem the debentures at any time after expiry of three years from date of allotment in one or more tranches, with the concurrence of debenture holders.
  - On option being exercised, the debenture-holders shall be entitled to allotment of such number of fully paid up equity shares of Rs. 10/- each against debentures held by them respectively, as shall be determined as per the valuation which is to be derived as per the applicable laws including the Companies Act and the extant regulations/guidelines by the SEBI as arrived at on the time of conversion.

- The said OCDs are restricted for sale or transfer without the prior written consent of the Company. The same can be transferred only to a Company with the prior written consent of the Company.
- (vi) The allotment of OCDs is proposed to be made to the Lenders and the break-up of same is already mentioned herein above.
- (vii) Since this is the conversion of loan into Debentures there is no offer period and no application.
- (viii) No allotment of any kind of securities on preferential basis has been made by the Company during the financial year 2017-18 till date and further presently there are no securities as issued are pending.
- (ix) The proposed allotment of OCDs of Rs.1,000 (One Thousand) each is not to be made for consideration other than cash.
- (x) The Shareholding Pattern of the Company (Pre and Post Preferential Allotment of the Securities):

Sl. No.	Category	Pre-Issue		Post-Issue#	
		No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
<b>A.</b>	<b>Promoter's Holding</b>				
1.	Indian				
	Individuals/HUF	37,72,657	18.53		
	Bodies Corporate	1,06,04,959	52.08		
	<b>Sub-Total (A1)</b>	<b>1,43,77,616</b>	<b>70.61</b>		
2.	Foreign Promoters	-	-		
	<b>Sub-Total (A2)</b>	<b>1,43,77,616</b>	<b>70.61</b>		
	<b>Sub-Total (A)= (A1)+ (A2)</b>	<b>1,43,77,616</b>	<b>70.61</b>		
<b>B.</b>	<b>Non-Promoter's Holding</b>				
1.	Institutional Investors	50,000	0.25		
2.	Non-Institutional Investors				
	Bodies Corporate	17,02,040	8.36		
	Directors and Relatives	27,52,000	13.52		
	Indian Public	14,79,355	7.27		
	Others (including NRIs)	439	0.00		
	<b>Sub-Total (B)</b>	<b>5983834</b>	<b>29.39</b>		
	<b>Grand Total</b>	<b>2,03,61,450</b>	<b>10.00</b>		

*#Since the conversion of OCD is at the option of the Debenture Holders at a future price, which will be determined as per applicable laws including the Companies Act, 2013 and the extant regulations/guidelines by the SEBI, therefore it is not possible to determine and disclose the post issue shareholding pattern.*



- (xi) **The identity of the natural persons who are the ultimately beneficial owners of the shares proposed to be allotted and/or who ultimately control the Lenders, the percentage of post preferential issue capital that may be held by them:** Not possible to disclose in view of clause (vi) above.
- (xii) **Change in control, if any, in the Company consequent to the preferential issue:** There shall be no change in the management or control of the Company pursuant to the issue and allotment of the OCDs of the Company. However, pursuant to conversion of the OCDs into equity shares of the Company, the shareholding pattern would undergo change accordingly.
- (xiii) **Proposal of the Promoters, Directors, Key Managerial Personnel of the Company to Subscribe to the Offer-** Since the present transaction is of conversion of loan into OCDs, there is no subscription to the offer.
- (xiv) **Lock-in-** The Equity Shares to be issued and allotted as a result of conversion of OCDs, shall be subject to lock-in in accordance with the provisions of the SEBI ICDR Regulations, from the date of trading approval granted for the equity shares allotted pursuant to exercise of the conversion option attached to OCDs without prejudice to the right of the Lenders to transfer the OCDs or the equity shares as allotted before the completion of the said lock-in period subject to continuation of the lock in for remaining period with the transferee.
- (xv) **Certificate from Statutory Auditor-** A certificate from the statutory auditors of the Company, certifying that the proposed preferential issue is being made in accordance with the extant regulations/guidelines by the SEBI and the Companies Act, 2013 and that the same shall be placed before the shareholders at the Annual General Meeting of the shareholders of the Company.
- (xvi) **Undertaking to re-compute the price-** The Company hereby undertakes that it shall re-compute the price of the OCDs and equity shares specified above in terms of the provisions of the SEBI ICDR Regulations, where it is required to do so.
- (xvii) **Undertaking to put under Lock-in till the recomputed price is paid-** The Company hereby undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the Lenders. Neither the issuer nor any of its promoters or directors is a wilful defaulter.
- (xviii) **Proposed time within which allotment will be completed-** The allotment of aforesaid OCDs of Rs.1,000 each on a preferential/private placement basis made pursuant to the above proposed Special Resolution shall be completed within the time period as per the applicable provisions of the Companies Act, 2013 read with the extant SEBI Guidelines.

- (xix) The said OCDs of Rs.1000/- each are offered on a private placement basis with an option of conversion into equity shares. The price of the resultant shares will be determined at the time of conversion as per the applicable laws.
- (xx) The Directors consider that the Resolution is in the interest of the Company and its shareholders.
- (xxi) Your Directors recommend the Resolution for your approval as a Special Resolution.
- (xxii) Except Mr. Vimal Prakash, Bhagwati Prasad Jalan, Niraj Jalan and Mr. Vijay Kumar Agarwal and their relatives, none of the directors or the manager or Key Managerial Persons (KMPs) or their relatives shall be concerned or interested whether financial or otherwise, if any, in respect of the special resolution proposed at Item no-5.
- (xxiii) The Company has disclosed all the related information and to the best of understanding of the Board of Directors no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

**Item no 6: Approval for Material Related Party Transaction(s)**

Your Company has borrowed Rs. 14,04,92,000/- (Rupees Fourteen Crores Four Lakhs Ninety Two Thousand only ) from time to time from the Lenders as an unsecured loan. In this regard, the Company has requested the Lenders to convert the said Unsecured Loan into Optionally Convertible Debentures (“OCDs”) on such terms and conditions as may be mutually agreed between the Company and the Lenders and the same was accepted by the respective Lender Companies. Accordingly, the Board of Directors of the Company at its meeting held on 21<sup>st</sup> August, 2018, has given consent, subject to approval of Members by way of Special Resolution, to convert Unsecured Loan of Rs.14,04,92,000 (Rupees Fourteen Crores Four Lakhs Ninety Two Thousand only ) into 1,40,492 unrated, unlisted, unsecured, 0% Optionally Convertible Debentures of Rs. 1,000/- (Rupees One Thousand) only each on such terms and Conditions as mutually agreed by the Company & Lenders, and incorporated in the Terms of Issue, a draft of which is open for inspection at the Registered Office of the Company during the office hours on any working days, except Saturdays and Sundays, between 10 a.m. and 5 p.m up to the date of Annual General Meeting of the Company, and also at the Meeting.

The Lenders are the related parties of the Company pursuant to section 2(76) of the Companies Act, 2013 read with Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Explanation to Regulation 23(1) of the Listing Regulations expressly provides that a transaction with a Related Party shall be considered Material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. The aggregate value of transaction(s) with the Lenders will exceed the said threshold limit. Hence, approval of the shareholders is being sought for the said Material Related Party Transaction(s) proposed to be entered into by your Company with the Lenders in the financial year 2018-19. Accordingly, the

Company seeks approval of the members by way of an Ordinary Resolution. Further, all the related parties of the Company shall abstain from voting on this resolution.

Pursuant to clause 3(ii)(a)(iii) of Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, particulars of the transactions with related parties are as follows:

<b>Name of the Related Party</b>	<b>Name of the Directors or KMP who are related</b>	<b>Nature of Relationship</b>	<b>Nature, material terms, monetary value and particulars of the contract or arrangement Contract</b>
Ambarella Cap Fin Pvt. Ltd.	Mr. Vimal Prakash	Shareholding in Ambarella Cap Fin Pvt. Ltd.	Conversion of Unsecured Loan amounting to Rs. 2,75,53,000 into 27,553 0%, OCDs of Rs. 1,000 each
P P Suppliers & Agencies Pvt. Ltd.	Mr. Bhagwati Prasad Jalan and Mr. Niraj Jalan	Directorship and Shareholding in P P Suppliers & Agencies Pvt. Ltd	Conversion of Unsecured Loan amounting to Rs. 3,29,22,000 into 32,922 0%, OCDs of Rs. 1,000 each
Pushpak Dealcom Pvt. Ltd.	Mr. Bhagwati Prasad Jalan and Mr. Niraj Jalan	Mrs. Nidhi Jalan, Director of Pushpak Dealcom Pvt. Ltd. is relative of both Mr. Bhagwati Prasad Jalan and Mr. Niraj Jalan, Directors of the Company and Mrs. Aditi Jalan, Director of Pushpak Dealcom Pvt. Ltd is relative of Mr. Bhagwati Prasad Jalan. The aforesaid mentioned directors are also related with respect to their shareholding in Pushpak Dealcom Pvt. Ltd.	Conversion of Unsecured Loan amounting to Rs. 2,83,50,000 into 28,350 0% OCDs of Rs. 1,000 each
Rudraksh Dealcom Pvt. Ltd.	Mr. Vijay Kumar Agarwal	Mr. Saket Agarwal, Director of Rudraksh Dealcom Pvt. Ltd. is a relative of Mr. Vijay Kumar Agarwal, Director of the Company.	Conversion of Unsecured Loan amounting to Rs. 1,23,00,000 into 12,300 0% OCDs of Rs. 1,000 each
Rajtiklak Mercantile Pvt. Ltd.	Mr. Vijay Kumar Agarwal	Mr. Saket Agarwal, Director of Rajtilak Mercantile Pvt. Ltd. is a relative of Mr. Vijay Kumar Agarwal, Director of the Company. Further relatives of Mr. Vijay Kumar Agarwal, Director of the Company also holds shares in the aforesaid metioned Company	Conversion of Unsecured Loan amounting to Rs. 90,50,000 into 9,050 0% OCDs of Rs. 1,000 each

The material terms of the proposed contract are mentioned in explanatory statement to item no. 5 of this notice

None of the directors or the manager or Key Managerial Persons (KMPs) of the Company or their respective relatives, other than those mentioned above, is concerned or interested, financially or otherwise, in the Resolution. The Board of Directors recommends passing of the resolution as Ordinary Resolution.

5. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , brief profile of the Directors seeking appointment at this Annual General Meeting is as follows :-

Name of Director	Pradip Kumar Mohapatra	Niraj Jalan
Date of Birth	30 <sup>th</sup> October, 1952	14 <sup>th</sup> April 1973
Qualifications	Bachelor of Science (Mechanical Engineering); Master of Business Administration- University of Hull, U.K.	Bachelor of Commerce (Hons)
Experience	He is a consultant & Procurement Specialist. He has varied experience of around 40 years in this field. He was associated with ONGC for 6 years and then with NALCO for 30 years as an Executive Director. Recently he worked as a consultant to Housing & Urban Development Department, Government of Odisha.	He has more than 15 years of experience in Iron & Steel Industry

6. Members are requested to notify promptly any change in their address to the Company's Registrar and Share Transfer Agent, M/s. S. K. Infosolutions Pvt. Ltd. The members are also requested to send all correspondence relating to shares, including transfers and transmissions to the Registrar and Share Transfer Agent.
7. SEBI has decided that securities of listed companies can be transferred only in dematerialized form from 05<sup>th</sup> December, 2018. In view of the above and to avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic format, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form may submit their PAN details to the Company or to S.K. Infosolutions Private Limited.
9. Electronic copy of the Annual Report for the year 2017-18 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 Annual Report for the year 2017-18 are being sent in the permitted mode.

10. Electronic copy of the Notice of the Annual General Meeting of the Company along with Attendance Slip and Proxy Form are 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 Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent in the permitted mode.

11. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of NSDL to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM. The Board of Directors of the Company has appointed Mr. Rajan Singh (Membership No. ACS- 34691), as the Scrutinizer for this purpose.

The Scrutinizer shall, at least three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

12. The procedure with respect to e-voting is provided below in two steps:-

- 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:**

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 eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and then you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID</b>
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 101456 then user ID is 101456001***

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’ is 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, your ‘initial password’ is communicated to you on your postal address.

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](http://www.evoting.nsdl.com).
- b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. Now, you will have to click on “Login” button.
8. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

1. After successful login at 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 click 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 company 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.
9. Members can cast their vote online from September 21, 2018 (10:00 am) till September 24, 2018 (05:00 pm)

Note: E-voting shall not be allowed beyond the said time

**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 to [csrajansingh2014@gmail.com](mailto:csrajansingh2014@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. Every Client ID No. / Folio No. shall have one e-vote, irrespective of the number of joint holders.
5. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on cutoff date. i.e. 18<sup>th</sup> September 2018.
6. The Results of the e-voting will be declared on or after the date of the AGM i.e. 25.09.2018. The declared Results, along with the Scrutinizer’s Report, will be available on the Company’s corporate website [www.nilachal.in](http://www.nilachal.in) under the section ‘Investor Information’ and on the website of NSDL; such Results will also be forwarded to the Stock Exchange where the Company’s shares are listed.
7. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliance and has issued circular nos. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 which states that service of notice/documents including Annual Report can be sent by e-mail to its members. To support the said green initiative, members holding shares in demat form, who have not registered their e-mail address as of now, are requested to register the same with their respective Depository Participant and members holding shares in physical form are requested to register their valid e-mail address with the S.K.Infosolutions Private Limited, 34/1 A Sudhir Chatterjee Street, Kolkata 700 006. Telephone No. 033 2219 6797, Fax No. 033 2219 4815, mentioning their name and folio no.

**By order of the Board  
For Nilachal Refractories Limited**

**Place: Kolkata  
Date: August 21, 2018**

**Krishna Sharma  
(Company Secretary)**



Annual General Meeting

**NILACHAL REFRACTORIES LTD.**

**ATTENDANCE SLIP**

Tuesday 25<sup>th</sup> Sep, 2018, at 12.30 p .m.

CIN: L26939OR1977PLC000735

Registered Office: P-598/599, KEDARNATH APARTMENT, MAHABIR NAGAR,  
LEWIS ROAD, BHUBANESWAR: 751002. ODISHA

FOLIO NO//DP ID/CLI IND :

NAME OF THE SHARE HOLDER(S) :

ADDRESS

NO OF SHARES HELD :

I/We hereby record my/our presence at the Annual General Meeting of the Company held on Tuesday ,25<sup>th</sup> Sep, 2018 at 12.30 p.m. at Hotel Pushpak, Kalpana Chawk Bhubaneswar ,Odisha

.....  
Name of Proxy (In BLOCK LETTERS)

.....  
Signature of Shareholder/Proxy Present

Please cut here and bring the Attendance Slip duly signed, to the meeting and hand it over at the entrance. Duplicate slips will not be issued at the venue of the meeting.

**ELECTRONIC VOTING PARTICULARS**

EVEN (e-voting Even Number)	User ID	Password/PIN

Please refer to the AGM Notice for e-voting instructions.

Annual General Meeting

**NILACHAL REFRACTORIES LTD.**

**PROXY FORM**

Tuesday 25<sup>th</sup> Sep, 2018, at 12.30 p .m.

CIN: L26939OR1977PLC000735

Registered Office: P-598/599, KEDARNATH APARTMENT, MAHABIR NAGAR,  
LEWIS ROAD, BHUBANESWAR: 751002. ODISHA,

I/We, being the member(s), holding ..... Shares of NILACHAL REFRACTORIES LTD. hereby appoint:

(1) Name ..... Address .....

E-mail Id: ..... Signature ..... or failing him/her,

(2) Name ..... Address .....

E-mail Id: ..... Signature ..... or failing him/her,

(3) Name ..... Address .....

E-mail Id: ..... Signature ..... or failing him/her

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf of the Annual General Meeting of the Company, to be held on Tuesday, 25<sup>th</sup> Sep ,2018 at 12.30 p.m. at Hotel Pushpak, Kalpana Chawk, Bhubaneswar ,Odisha and any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
1.	To receive, consider and adopt the Audited Annual Accounts of the Company for the year ended 31 <sup>st</sup> March, 2018 and the Report of the Directors and Auditors thereon .		
2.	To appoint a Director in place of Mr. Niraj Jalan who retires by rotation, and being eligible, offer himself for re-appointment .		
3	Reappointment of M/s. T.More & Co. as Statutory Auditor and fix their remuneration .		
4	Appointment of Mr. Pradip Kumar Mohapatra as the Independent Director of the Company		
5	Approval for conversion of existing Unsecured loan into 0% OCDs		
6	Approval of Material Related Party Transaction		

Member's Folio/DP ID-Client ID No..... Signature of Shareholder(s) .....

Signature of Proxy holder(s).....

Note: 1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.

\*3. It is optional to put a '✓' in the appropriate column against the Resolution as indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

# ROUTE MAP

