



प्रगति की ओर अग्रसर
Urge to stay Ahead

इरकॉन इंटरनेशनल लिमिटेड
सिविल, मैकेनिकल, इलक्ट्रिकल, कम्युनिकेशन्स, और टर्नकी कान्ट्रैक्टर्स
(भारत सरकार का उपक्रम)



IRCON INTERNATIONAL LIMITED

Civil, Mechanical, Electrical, Communication and Turnkey Contractors
(A Govt. of India Undertaking)

NOTICE FOR THE THIRTY NINTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the thirty ninth (39th) Annual General Meeting of Ircon International Limited (Ircon) will be held in the Board Meeting Room of Registered Office of Ircon situated at 3rd Floor, C-4, District Centre, Saket, New Delhi-110017, on Tuesday, the 22nd December 2015 at 1700 hours to transact the following business:-

Ordinary Business:

- (1) To receive and adopt the Directors' Report and the Audited Balance Sheet as on 31st March 2015 and the Statement of Profit & Loss for the year ended 31st March 2015 with the Auditors' Report thereon, and pass, with or without modification, the following resolution:

"RESOLVED THAT the Financial Statements for the year ended 31st March 2015 comprising Balance Sheet as at 31st March, 2015, the Statement of Profit & Loss for the year ended 31st March 2015, and Cash Flow Statement for the year ended 31st March 2015, including the Consolidated Financial Statements of Ircon and its subsidiaries/ associates/ joint ventures, along with Notes thereto, and the Auditors' Reports thereon, as well as the Directors' Report along with its Annexures including the Report on CSR and Sustainability Activities, Management Discussion and Analysis Report, Corporate Governance Report, Secretarial Audit report, Extract of Annual Return, Form AOC – 1 and Form AOC – 2, etc. as circulated and laid before the meeting, be and are hereby approved and adopted."

- (2) To declare dividend for 2014-15, over and above the interim dividend already declared by the Board of Directors and paid in February 2015, and pass, with or without modification, the following resolution:

"RESOLVED THAT dividend @ ₹ 52.00 per share of ₹ 10/- each (520% on the paid-up share capital of ₹ 19.796 crores), as recommended by the Board of Directors for the year ended 31st March, 2015, be and is hereby declared in favour of the shareholders whose names appear on the Register of Members as on the date of the Annual General Meeting, which is over and above the interim dividend declared by the Board of Directors @ ₹ 40.00 per share of ₹ 10/- each (400% of the paid-up share capital) and paid to all the members in February 2015."

रजि. कार्यालय : सी-4, डिस्ट्रिक्ट सेंटर, साकेत, नई दिल्ली-110017, भारत
Regd. Office : C-4, District Centre, Saket, New Delhi-110017, INDIA
Tel. : +91-11-29565666 Fax : +91-11-26854000, 26522000
E-mail : info@ircon.org Web : www.ircon.org
CIN - U45203DL1976GOI008171



- (3) **To consider** and if thought fit, to pass with or without modification, the following resolution in respect of **Remuneration of Auditors of the Company for 2015-16**:

“RESOLVED THAT the Board of Directors of Ircon be and is hereby authorized to fix, based on a recommendation to be made by the Audit Committee, the remuneration including out-of-pocket expenses of the Auditors of the Company as may be appointed by the Comptroller & Auditor General of India, for audit of accounts of both domestic and foreign projects of the Company for the year 2015-16, as well as to fix the auditors' expenses for their visits to foreign projects for the purpose of audit.”

Special Business:

- (4) **To note appointment of Mr. H.K. Kala, Addl. Member Planning, Railway Board, as Part-time (Official) Director of the Company w.e.f. 2nd June 2015** and if thought fit, to pass with or without modification, the following ordinary resolution:

“RESOLVED THAT in terms of the Railway Board letter no. 2004/PL/44/4 dated 26th May 2015 pursuant to Article 49 of the Articles of Association of the Company, the appointment of Mr. H. K. Kala (DIN : 07200108), Addl. Member (Planning), Railway Board, as Part-time (Official) Director of the Company w.e.f. 2nd June 2015, till he holds the post of Additional Member/ Planning or till further orders whichever is earlier, on the terms and conditions specified in said Railway Board's letter, be and is hereby noted.”

- (5) **To approve remuneration of Cost Auditor for 2015-16** and, if thought fit, to pass, with or without modification(s), the following as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of section 148 (3) read with applicable rules of the Companies (Audit and Auditors) Rules, 2014, and other applicable provision, if any (including any statutory modification(s) or re-enactment thereof, for the time being in force), a remuneration of ₹ 1,70,000/- (Rupees one lakh seventy thousand only) plus service tax and out-of-pocket expenses, be and is hereby approved to be paid to M/s. Chandra Wadhwa & Co., Cost Accountants, appointed by the Board of Directors (based on the recommendations of the Audit Committee) as Cost Auditor of the Company for the financial year 2015-16 for audit of cost records maintained by the Company.”

(6) To amend Memorandum of Association to increase Authorized Share Capital.

To amend the Memorandum of Association which involves substitution of **Clause V** and, if thought fit, to pass, with or without modification(s), the following as a special resolution:

“**RESOLVED THAT** approval is hereby granted to substitute the existing provisions in Clause V by the provision as proposed and given below subject to the approval of the President of India in terms of the provision of the Companies Act, 2013, and the relevant rules thereunder read with Article 25 of the Articles of Association:

‘**V.** The authorized share capital of the Company is Rs. 1,00,00,00,000 (Rupees One hundred crore only) divided into 10,00,00,000 (ten crores) equity shares of Rs. 10/- (Rupees ten only) each’.”

(7) To amend Article of Association to increase Authorized Share Capital.

To amend the Articles of Association which involves substitution of **Article 5** and, if thought fit, to pass, with or without modification(s), the following as a special resolution:

“**RESOLVED THAT** approval is hereby granted to substitute the existing provisions in Article 5 by the provision as proposed and given below subject to the approval of the President of India in terms of the provision of the Companies Act, 2013, and the relevant rules thereunder read with Article 25 of the Articles of Association:

‘Article 5

Authorised Share Capital –

The Authorised share capital of the Company shall be Rs. 1,00,00,00,000 (Rupees one hundred crore only) divided into 10,00,00,000 (ten crores) equity shares of Rs. 10/- (Rupees ten only) each’.”

BY ORDER OF THE BOARD OF DIRECTORS


(Sumita Sharma)
Company Secretary / Ircon

Place: New Delhi

Date: 26-11-2015

NOTE:

1. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY IN WRITING DULY SIGNED BY HIM/HER TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER. **Form of Proxy is enclosed.**

2. As per the provisions of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than 3 days of notice in writing of the intention to inspect is given to the Company.
4. Voting to be by show of hands in the first instance. Every member present in person shall have only one vote on a show of hands. Only when a poll is demanded under section 109, every such member shall have one vote for every share held by him/her.
5. Five members (shareholders) of the Company personally present throughout the meeting is the Quorum.
6. A brief in respect of ordinary business items 1, 2, and 3 are attached as **Annexure – 1**.
7. Explanatory statement pursuant to section 102 of the Companies Act, 2013, in respect of special business item 4, 5, 6, and 7 is at **Annexure – 2**.
8. The record date shall be the date of Annual General Meeting i.e. 22nd December 2015.
9. Route map including prominent landmark for easy location of the Registered Office (venue of the meeting) is attached as **Annexure – 3**.
10. A form of Attendance slip is attached as **Annexure – 4**.
11. Relevant documents referred to in the accompanying notice are open for inspection by the Members at the registered office of the Company on all working days during business hours up to the date of Annual General Meeting.
12. Members requested to bring their copies of Annual Report, Notice and Attendance slip duly completed and signed at the meeting

To:

1. All shareholders of the Company
2. Vinod Kumar & Associates, Chartered Accountants, and T.R. Chadha & Co., Chartered Accountants (Joint Statutory Auditors)
3. M/s. Chandra Wadhwa (Cost Auditor)
4. M/s. Vishal Agarwal (Secretarial Auditor)
5. All Directors of the Company

A brief on Ordinary Business items:

- Item No. 1 To receive and adopt the Directors' Report and the Audited Balance Sheet as at 31st March 2015 and the Statement of Profit & Loss for the year ended 31st March 2015 with the Auditors' Report thereon.**

The Standalone and Consolidated Financial Statements (including Form AOC – 1) along with Notes thereto, as per the Companies Act, 2013, were approved by the Board of Directors at its meetings held on 28th July 2015 and 14th August 2015 respectively. The Directors' Report along with its Annexures including the Report on CSR & Sustainability Activities, Management Discussion and Analysis Report, Corporate Governance Report, Secretarial Audit Report, Extract of Annual Return, and Form AOC-2, were approved by the Board of Directors at its meeting held on 6th November 2015.

The Auditors gave their Report on the Financial Statements on 13th October 2015 which was noted by the BoD along with the management replies to the comments of the Auditors at its meeting held on 6th November 2015.

- Item No. 2 To declare dividend for 2014-15.**

The Board of Directors at its 215th meeting held on 28th January 2015 declared interim dividend for the year 2014-15 pursuant to its discretionary power under Article 67A of the Articles of Association @ ₹ 40 per share of ₹ 10/- each (400% of the paid-up share capital of ₹19.796 crores) amounting to ₹ 79.18 crores approx. which has been paid to the shareholders of the Company in February 2015.

The Board of Directors has recommended a dividend @ ₹ 52 per share of ₹ 10/- each (520% of the paid-up share capital of ₹ 19.796 crores) for the year 2014-15 for consideration by the members. The Company has recorded a profit before tax of ₹ 844 crores and a profit after tax of ₹ 579 crores during 2014-15.

The dividend to be declared at the Annual General Meeting would amount to ₹102.94 crores approx. taking the total dividend to ₹ 182.12 crores approx. for 2014-15 which works out to **31% approx. of post-tax profit**. This is also in accordance with the communication dated 20th June 2003 of Ministry of Finance that profit making PSUs should declare a minimum dividend of 20% on equity or a pay-out of at least 20% of post-tax profits, whichever is higher.

As per Article 67 of the Articles of Association, "the Company in general meeting may declare a dividend to be paid to the members according to their

rights and interests in the profits but no dividend shall exceed the amount recommended by the Board of Directors”.

Item No. 3 To consider Remuneration of Auditors of the Company for 2014-15.

According to section 177 of the Companies Act, 2013, Chapter 4 of the DPE Corporate Governance Guidelines, 2010, and sl. no. 1 of the terms of reference of the Audit Committee, the Audit Committee has to recommend to the Board of Directors fixation of audit fee, and also approval for payment to statutory auditors for any other services that may be required of them. According to section 139 (5) of the Companies Act, 2013, the auditors of a government company shall be appointed by the Comptroller & Auditor General of India (C&AG). According to section 142 (1) of the Companies Act, 2013, remuneration of the auditors of a company, which includes the expenses, any sums to be paid from the Company in respect of auditors' expenses shall be fixed by the Company in general meeting or in such manner as the Company in general meeting may determine.

Therefore, on a harmonious application of the aforesaid legal provisions, every year the General Meeting has been authorizing the Board of Directors to fix, based on a recommendation to be made by the Audit Committee, the remuneration including out of pocket expenses of the auditors as well as the auditors' expenses for their visits to foreign projects for the purpose of audit. Accordingly a resolution is being proposed for authorizing the Board of Directors for fixing remuneration and permissible expenses of auditors for 2015-16.

The total audit fee including out of pocket expenses, expenditure on foreign visit(s), as well as fee for audit of accounts of foreign projects during the last two years, after recommendation of Audit Committee and approval of Board of Directors, based on the criteria advised by the Audit Committee for fixing the fee of auditors, namely, turnover (volume of work load), statutory compliance requirements, geographical distribution of projects/number of projects, and inflation and market scenario, and as disclosed in the audited Financial Statement is as under:

2013-14	-	₹ 0.63 crores
2014-15	-	₹ 0.42 crores

None of the Directors and Key Managerial Personnel of the Company are in any way concerned or interested, in any of the resolutions of ordinary business items.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 – SPECIAL BUSINESS ITEMS

Item No. 4 – To note appointment of Mr. H.K. Kala, Addl. Member Planning, Railway Board, as Part-time (Official) Director of the Company w.e.f. 2nd June 2015.

Section 152(2) of the Companies Act, 2013, provides that ***save as otherwise expressly provided, all the directors will be appointed in general meeting***".

Mr. H. K. Kala, Additional Member (Planning), Railway Board, has been appointed as Part-time (Official) Director on the Board of Ircon w.e.f. 2nd June 2015, till he holds the post of Additional Member/ Planning or till further orders whichever is earlier, in terms of Railway Board letter no. 2004/PL/44/4 dated 26th May 2015. Mr. Kala has been appointed vice Mr. A. K. Rawal, former Additional Member (Planning), Railway Board, and Part-time (Official) Director on the Board of Ircon.

Since all the directors in Ircon [whole-time, part-time (Official/ non-official)] are appointed by the President of India through Administrative Ministry i.e. Ministry of Railways, in terms of Articles of Association for a fixed tenure, it is not possible to appoint directors at a general meeting. Therefore, the appointments made by the Ministry during the year are being put up for noting by the shareholders.

Further, section 152(6) read with section 160 provides that not less than 2/3rd of the total number of directors shall be persons whose period of office is liable to determination by **retirement of directors by rotation**. Out of the aforesaid 2/3rd directors, 1/3rd are liable to retire at Annual General Meeting (AGM). A director who retires as aforesaid, is eligible for re-appointment.

However, it is practically not possible to give effect to the above said provisions due to the fact that appointment of directors is done by the Government. **To overcome this practical difficulty, the Company has requested the Ministry to advise as to the directors who can be made liable to retire by rotation at the ensuing AGM, and would be eligible for re-appointment.**

Since these provisions are exempt for government companies in which the entire paid-up share capital is held by the Central/ State Government, therefore, the Company has also requested Ministry of Railways to take up the matter with the Ministry of Corporate Affairs so as to exempt all government companies from retiring its directors by rotation.

None of the Directors and Key Managerial Personnel of the Company are in any way concerned or interested, in this resolutions, except Mr. H. K. Kala, Addl. Member (Planning), Railway Board and Part-time (Official) Director, Ircon .

Item No. 5 -- To approve remuneration of Cost Auditor for 2015-16

In terms of rule 3(B)(10) read with rule 6 of the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors at its meeting held on 28th July 2015, based on the recommendation of the Audit Committee, had appointed M/s. Chandra Wadhwa & Co., Cost Accountants, as Cost Auditors of the Company for the financial year 2015-16 to conduct the audit of cost records maintained by the Company relating to its 'Roads and infrastructure projects corresponding to Para No (I) (a) specified in Schedule VI of the Companies Act, 2013' at a remuneration of ₹1,70,000/- plus service tax and out-of-pocket expenses for conducting the audit.

Further, in term of section 148(3) of the Companies Act, 2013, read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, remuneration to be payable to the said Cost Auditor duly approved by the Board of Directors, based on the recommendation of the Audit Committee, is placed for ratification by the shareholders.

The same remuneration was paid to Cost Auditor for the financial year 2014-15 after shareholders ratification at 38th annual general meeting held on 25th September 2015.

None of the Directors and Key Managerial Personnel of the Company are in any way concerned or interested, in this resolution.

Item No. 6 and 7 -- Amendment in Memorandum and Articles of Association.

The present proposal is to enhance the authorized share capital of the Company from ₹25 crores to ₹ 100 crores, and consequently, to alter the Memorandum and Articles of Association of the Company containing the capital clause.

The existing subscribed and paid-up share capital of ₹ 19.796 crores is being held by the President of India and his ten nominees [i.e. 99.729% shares], Indian Railway Finance Corporation Limited [i.e. 0.247% shares], and Bank of India [i.e. 0.024% shares].

The Company is a consistent profit making PSU, and has Reserve & Surplus to the tune of ₹3,334 crores as on 31st March 2015.

Keeping in view the large reserves and surplus available with the Company and the fact that the present authorized share capital has practically been issued, subscribed, and paid-up, there is very little scope for issue of further shares by the Company.

Since the capital clause mentioning the authorized share capital of the Company is an integral part of Memorandum of Association of the Company [clause V], as well as is specified in the Articles of Association of the Company [Article 5]. Therefore, both these documents would also undergo change.

- a) The existing and proposed Clause V of the Memorandum of Association is juxtaposed below for ready reference:

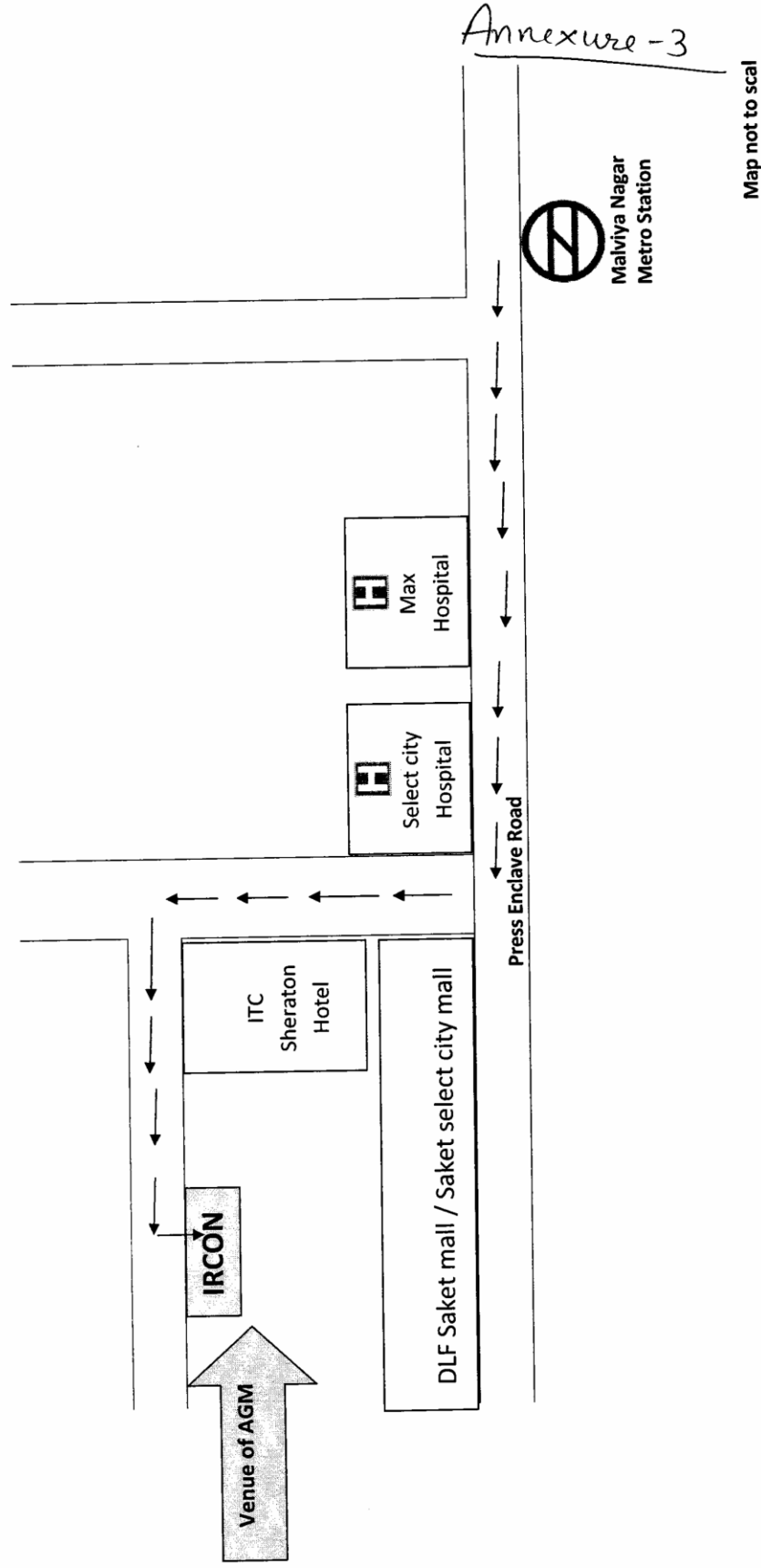
Existing Clause V	Proposed Clause V
The authorized share capital of the Company is Rs. 25,00,00,000 (Rupees twenty five crores only) divided into 2,50,00,000 (two crores fifty lakhs) equity shares of Rs. 10/- (Rupees ten only) each.	The authorized share capital of the Company is Rs. 1,00,00,00,000 (Rupees One hundred crore only) divided into 10,00,00,000 (ten crores) equity shares of Rs. 10/- (Rupees ten only) each.

- b) The existing and proposed Article 5 of the Articles of Association is juxtaposed below for ready reference:

Existing Article 5	Proposed Article 5
<p><u>Authorised Share Capital —</u></p> <p>The Authorised share capital of the company shall be Rs. 25,00,00,000 (Rupees twenty five crores only) divided into 2,50,00,000 (two crores fifty lakhs) equity shares of Rs. 10/- (Rupees ten only) each.</p>	<p><u>Authorised Share Capital —</u></p> <p>The Authorised share capital of the company shall be Rs. 1,00,00,00,000 (Rupees one hundred crores only) divided into 10,00,00,000 (ten crores) equity shares of Rs. 10/- (Rupees ten only) each.</p>

None of the Directors and Key Managerial Personnel of the Company are in any way concerned or interested, in any of the resolutions.

Route Map
Ircon International Limited,
Plot No. C-4, District Centre, Saket, New Delhi – 110017



Annexure-4

IRCON INTERNATIONAL LIMITED
Plot No. C-4, District Centre, Saket, New Delhi - 110017
CIN: U45203DL1976GOI008171

ATTENDANCE SLIP

Name of the Member/ Proxy :
(In Block Letters)

Address of the Member/ Proxy :

Folio No. :

No. of Shares held :

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 39th Annual General Meeting of the Company held on Tuesday, the 22nd December 2015 at 1700 hours at C – 4, District Centre, Saket, New Delhi – 110017.

Member's / Proxy's Signature

Note:

Please fill and sign this attendance slip and hand it over at the entrance of the meeting.

IRCON INTERNATIONAL LIMITED

CIN:U45203DL1976GOI008171

Plot No. C-4 District Center, Saket, New Delhi - 110017

Form No. MGT 11 – PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member	:	_____
Registered address	:	_____
E-mail Id	:	_____
Folio No	:	_____

I, being the member holding _____ shares of Ircon International Limited, hereby appoint:

1. Name : _____ E-mail Id : _____
Address : _____ Signature : _____

or failing him / her

2. Name : _____ E-mail Id : _____
Address : _____ Signature : _____

or failing him / her

3. Name : _____ E-mail Id : _____
Address : _____ Signature : _____

as my proxy to attend and vote (on a poll) for me and on my behalf at the 39th Annual General Meeting of the company, to be held on Tuesday, the 22nd December 2015, at 1700 hours at Registered Office of Ircon or at any adjournment thereof in respect of such resolutions as are indicated below :

Resolutions:

1. To receive and adopt the Directors' Report and the Audited Balance Sheet as at 31st March 2015 and the Statement of Profit & Loss for the year ended 31st March 2015 with the Auditors' Report thereon.
2. To declare dividend for the year 2014-15.
3. To consider Remuneration of Auditors of the Company for 2015-16.
4. To take note of appointment of Mr. H. K. Kala, Addl. Member (Planning), Railway Board, as Part-time (Official) Director, Ircon.
5. To approve remuneration of Cost Auditor for 2015-16.
6. To amend Memorandum of Association to increase Authorized Share Capital.
7. To amend Articles of Association to increase Authorized Share Capital.

Signed this ____ day of _____ 2015

Signature of Shareholder

Signature of Proxy holder(s)

**Affix
Revenue
Stamp**

Note:

This form of proxy in order to be effective should be completed (i.e. duly filled, stamped, and signed) and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting, i.e. latest before 1700 hours on 18th December 2015 (19th and 20th December 2015 being Saturday and Sunday).