



BrahMos Aerospace Private Limited

Joint Venture of DRDO, India & NPOM, Russia

Web : www.brahmos.com E-mail : mail@brahmos.com

NOTICE

NOTICE is hereby given that the **Twenty Second Annual General Meeting** of the members of BrahMos Aerospace Private Limited will be held on **Friday, the 22nd September, 2017** at **1700 hrs IST** at **DRDO Bhawan, Rajaji Marg, Near South Block, New Delhi-110011, India** (Opposite Sena Bhawan) to transact the following businesses:

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2017, Statement of Profit & Loss for the year ended on that date, together with the Notes thereon, the Directors' Report and the Auditors' Report thereon.
2. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Narasimha Rao & Associates, Chartered Accountants (Firm Registration no. 2336S) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 24th Annual General Meeting subject to annual ratification of appointment, on remuneration to be fixed by the Board of Directors of the Company".

Special Business :

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 148 of the Companies Act 2013 and other applicable provisions of the Companies Act read with Companies (Audit & Auditors) Rules 2014 (including its statutory modification or re-enactment thereof for the time being in force), M/s Vajralingam & Co, Cost Auditor appointed by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the Financial Year 2017-18 be paid the remuneration of Rs 1,30,000/- (Rupees One Lac thirty thousand only) plus applicable tax and out-of-pocket expenses.

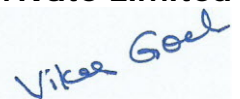
"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution."

1. 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 applicable provisions of the Companies Act, 2013, and the rules made there under, the consent of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to enter into related party transaction(s) with NPO Mashinostroyenia for purchase or supply of any goods or materials or availing of services for the FY 2017-18 and FY 2018-19 which is a commercial transaction as detailed in the explanatory statement to the Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution."

**By order of the Board of Directors
For BrahMos Aerospace Private Limited**



**Vikas Goel
Company Secretary**

Place : New Delhi

Dated : 22nd Sept 2017

TO: ALL SHAREHOLDERS

1. The Chairman DRDO, New Delhi

2. The Director General & Designer General, NPOM, Moscow

cc : Statutory Auditor

cc : ALL DIRECTORS, BrahMos Aerospace Pvt. Ltd., New Delhi

Note : A member entitled to attend and vote at the meeting will be entitled to appoint a proxy and a proxy need not be a member. Proxies, if any, may be deposited at the registered office, 48 hours before the meeting.

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

Item No. 3

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Vajralingam & Co, Cost Auditor to conduct the audit of the cost records of the Company relating to Missiles for the Financial Year ending March 31, 2018 on a remuneration of Rs. 1,30,000/- (plus reimbursement of applicable tax and out of pocket expenses).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be determined by the shareholders of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 3 of the Notice for determination of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2018.

Your Board recommends the ordinary resolution as set out in Item No. 3 for approval of Members. None of the Directors and /or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in this ordinary resolution set out in Item no.3.

Item No. 4

Company is a joint venture company of Defence Research & Development Organization, Ministry of Defence, Government of India and NPO Mashinostroyenia (NPOM), Russian Federation. Company is formed through an Inter- Governmental Agreement between Government of India and Russian Federation for joint development, production and marketing of missiles. Based on the Customer's requirement, Company enters in to contract with NPO Mashinostroyenia, a Joint Venture Shareholder of the Company, for purchase or supply of any goods or materials or design or documentation or availing of services which is a commercial transaction in the ordinary course of its business. The key terms are covered in the contract signed between the Company and NPOM.

As per articles of association of the Company, the Board of Directors of the Company consists of equal representatives of both the JV partners, therefore, NPOM is a 'related party' within the meaning of Section 2(76) of the Companies Act, 2013 read with relevant rules.

The approval for transactions with NPOM for the FY 2015-16 and 2016-17 for Rs 6,000 Crores was taken in the Board meeting held on 23rd September 2015 and approved by the Shareholders in 20th AGM held on 25th September 2015. Contracts worth Rs 3,600 Crores approx. (contract is in foreign currency) has been signed since April 2015 till August 2017. Now the transactions worth of Rs 4,000 Crores for the FY 2017-18 and 2018-19 has been proposed considering new orders from Customers and future developmental orders. The transactions with NPOM during the period would be based on orders secured and development programs to be undertaken by the Company. The amended provisions of the Companies Act applicable to Private Limited Companies allows the interested Shareholders to vote in the General Meeting.

The Board of Directors has approved related party transactions for the year 2017-18 and 2018-19 it in its meeting held on 22nd September 2017, for the transactions with NPOM. Although the transactions under this contract are on an arm's length basis, it is being brought to the notice of shareholders as a Corporate Governance measure.

The particulars of the contract are as under.

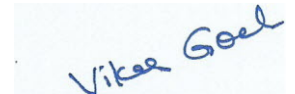
- a. Name of the related party: NPO Mashinostroyenia (NPOM)
- b. Name of the Director or Key Managerial personnel who is related, if any: - See note below.
- c. Nature of relationship- NPO Mashinostroyenia (NPOM) is a Joint Venture Shareholder of the Company.
- d. Nature of contract: purchase or supply of any goods or materials or design or documentation or availing of services.
- e. Material Terms and Particulars of the contract: mutual agreement from time to time.
- f. Monetary value - estimated value of transaction: Rs 4,000 Crores.

g. Any other information relevant or important for the members to make a decision on the proposed transaction- The Inter- Governmental Agreement (IGA) is the origin of the Company which was signed by the Government of India and Russian Federation for joint development, production and marketing of missiles. The transactions entered by the Company with NPOM are on arms length basis and is in the ordinary course of business. The contracts entered in the Defence industry are generally long term in nature and the supplies are spread over in no. of years.

The Board of Directors recommend the ordinary resolution for approval of the Shareholders. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution, other than the representatives of NPO Mashinostroyenia on the Board of the Company to the extent that they are Directors of the Company (which is the Joint Venture of NPO Mashinostroyenia).

Shareholders are requested to approve the transactions with NPOM which is in the ordinary course of business and at arm's length basis.

**By order of the Board of Directors
For BrahMos Aerospace Private Limited**



**Vikas Goel
Company Secretary**

Place : New Delhi
Dated : 22 Sept 2017

PROXY
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]

CIN:

Name of the company:

Registered office:

Name of the member (s): Registered office E-mail id: Folio No/Client Id: DP ID:

I/We, being the member (s) ofshares of the above named company, hereby appoint

1. Name:
2. Address:
3. E-mail Id:
4. Signature:..... or failing him

1. Name:
2. Address:
3. E-mail Id:
4. Signature:..... or failing him

1. Name:
2. Address:
3. E-mail Id:
4. Signature:.....

As my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at theAnnual general meeting/Extraordinary general meeting of the company, to be held on the.....day ofat.....a.m/p.m at(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.
2.
3.
4.
5.

Signed this.....day of20.....

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

Note: 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.

Route Map for
DRDO Bhawan

Rajaji Marg, Near South Block, New Delhi-110011 (Opposite Sena Bhawan)

