

GAGL// 2017-18

04.12.2017

To,
Bombay Stock Exchange
Corporate Relationship Department,
Ground floor, P J Tower,
Dalal Street, Fort,
Mumbai – 400001

Dear Sir,

Subject: Notice of Annual General Meeting.Script Code: 505712

Pursuant to regulation 30 read with clause 12 of Para A of Part A of schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of 46th Annual General Meeting of Gujarat Automotive Gears Limited to be held on Saturday, 30th December, 2017 at 11:30 a.m. at registered office of the Company situated at vill. Billanwali, Baddi – 173205 Dist. Solan (HP).

Kindly acknowledge the receipt of the same.

Thanking you,

Yours Faithfully,

For, Gujarat Automotive Gears Limited

Chintan Doshi,
Company Secretary &
Compliance officer.

ISO 9001 - 2008

Regd. Office : Village : Billanwali, Baddi - 173205, Dist. Solan, Himachal Pradesh, INDIA.

PHONE : +91 (1795) 654026, 654027 • FAX : +91 (1795) 245467 • WEBSITE : www.gagl.net

E-MAIL : gujarat.gears@gagl.net, gujarat.gears@gmail.com

CIN. : L29130HP1971PLC000904



Gujarat Automotive Gears Limited

CIN: L29130HP1971PLC000904

Regd. Office: Vill. : Billanwali, Baddi-173205 Distt. Solan (HP)

1. To receive, consider and adopt the Financial Statement for the year ended on 31st March, 2017 of the Company together with the Directors' and Auditors' Reports thereon.
2. To appoint a director in place of Mrs. Anju Aggarwal (DIN 00094267), who retires by rotation and is being eligible for re-appointment.
3. To consider and if thought fit, to pass following resolution as an Ordinary Resolution.

pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to recommendations of Audit Committee and the Board of Directors, M/s PRA Associates, Chartered Accountants having Firm Registration No. 002355N, be and are hereby appointed as the Joint Auditors of the Company, for a period of five years to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 51st AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), to examine and audit the accounts of the Company, at such remuneration as may be agreed between the Board of Directors and the Auditors."

4. To consider and if thought fit, to pass following resolution as an Ordinary Resolution.

pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to recommendations of Audit Committee and the Board of Directors, M/s M L Bhuwania and Co LLP, Chartered Accountants having Firm Registration No. 101484W/W100197, be and are hereby appointed as the Joint Auditors of the Company, for a period of five years to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 51st Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), to examine and audit the accounts of the Company, at such remuneration as may be agreed between the Board of Directors and the Auditors."

5. To fix the remuneration of Mr. Rajiv Aggarwal, Managing Director of the Company and in this regard to consider and, if thought fit, to pass, the following resolutions as Special Resolution:

pursuant to section 197, 200, 203 and other applicable sections, if any, and schedule V and subject to approval of the Central Government if required, consent of the members of the Company be and is hereby accorded to fix remuneration payable to Mr. Rajiv Aggarwal with effect from 01st April, 2017 to 11th September, 2018 as under:

- A. Salary: Not exceeding Rs. 5,50,000 [Rupees Five Lacs Fifty Thousand] per month [including perquisites and other allowance, if any.]
- B. Perquisites:
 - i. Rent Free Accommodation: - Rent Free accommodation subject to ceiling of Rs. 2.50 lacs p.m.
 - ii. Medical Reimbursement: - Reimbursement of expenses incurred for medical treatment for himself and his family.
 - iii. Club Fees: - Fees of Club subject to maximum of two clubs, including admission and life membership fees.
 - iv. Personal accident insurance premium not exceeding Rs. 4000 p.a.
 - v. Reimbursement of Newspapers and periodicals subject to maximum limit of 24000 p.a.
 - vi. Leave travelling concession: - First class air passage for self, wife, dependent children and dependent parents, once in year to any place within or Outside India subject to limit of Rs. 3.00 lacs.
 - vii. Conveyance Allowance Rs 5000 per month.
 - viii. Contribution to provident fund, superannuation fund, or annuity fund to the extent these, either singly or put together, are not taxable under Income tax act, 1962. Gratuity payable shall not exceed ½ month's salary for each completed year of service. Encashment of un-availed leave at the end of tenure.

where in any financial year, during the currency tenure of Mr. Rajiv Aggarwal as a Managing Director, the Company has no profit or its profits are inadequate, it may pay him with minimum remuneration by way of salary, perquisites and allowances not exceeding the limits specified above for the period w.e.f. 1st April, 2017 to 11th September, 2018."

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIM. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PROXY FORM IS SENT HERewith.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company.

Proxy submitted on behalf of the companies, Societies etc. must be supported by an appropriate resolution/ authority as applicable.

2. Members should notify change in the address, if any, specifying full address in block letters with pin code of the post office.
3. Members seeking further information on the accounts or any other matter contained in the notice are requested to write to the Company at least 7 days before the meeting, so that relevant information can be kept ready at the meeting.
4. The register of members and share transfer book will remain closed from Saturday, the 23rd December, 2017 to Saturday, the 30th December, 2017 [both days inclusive].
5. Members attending the meeting are requested to bring their copy of the Annual Report.
6. Pursuant to Section 72 of the Companies Act, 2013, members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filing required form.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent.
8. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has created an E-mail. Id: gujarat.gears@gmail.com for quick redressal of shareholders/investors grievances.
9. In terms of the Circulars No. 17/2011 of 21st April, 2011 and 18/2011 of 29th April, 2011 issued by the Ministry of Corporate Affairs (MCA) as part of its "green initiative in Corporate Governance", MCA allows paperless compliances including service of a notice/document by companies to their members through electronic mode. Therefore as was done last year, the Company proposes to send documents required to be sent to the members like Notices of General Meetings (including AGM), Audited Financial Statements, Report of the Directors, and Independent Auditor's Report etc to the members in electronic form to the e-mail IDs provided by them and made available to the Company by the Depositories. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents will also be available on the Company's website www.gagl.net for download by the Members. The physical copies of the annual report will be made available upon receipt of a requisition from the members, any time as a member of the Company.
10. Voting through electronic means (E-voting): Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, the Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative for all the members of the Company to enable them to cast their votes electronically. The instructions for E-voting are attached herewith.
11. The Board of Directors of the Company has appointed Mr. Deepak Gupta, Chartered Accountant as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
12. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member (in case of electronic shareholding) as on the cut-off date i.e 23rd December, 2017.
13. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. 23rd December, 2017 only shall be entitled to avail the facility of e-voting / Poll.
14. The e-voting facility will be available during the following period: Commencement of e-voting: From 9.00 a.m. (IST) on 27th December, 2017 End of e-voting: Up to 5.00 p.m. (IST) on 29th December, 2017.
The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by (CDSL) upon expiry of aforesaid period.
15. The Scrutinizer, after scrutinising the votes cast at the meeting on poll and through e-voting will, not later than 48 hrs of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.gagl.net and the results shall simultaneously be communicated to the Bombay Stock Exchange.
16. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting.
17. Explanatory statement setting out all material facts concerning the special business u/s102 of the Companies Act, 2013 is annexed hereto:

Additional information on directors recommended for appointment/ reappointment as required under regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

	5 th January, 1955
	Indian
	28 th December, 2015
	M.A. (English)
	General Management
	7821
	Nil
	Nil



At the 43rd Annual General Meeting ("AGM") of the Company held on 27.09.2014, shareholders by special resolution approved the appointment of Mr. Rajiv Aggarwal as Managing Director for a period of five years w.e.f. 12th September, 2013. At the same AGM shareholders also approved remuneration payable to Mr. Rajiv Aggarwal not exceeding Rs.3,50,000 per month w.e.f. 01.04.2014 for the period of three years. He is a qualified Chartered Accountant and Company Secretary and having more than 35 years of experience in industry. He is looking after finance, legal, banking, accounts and other commercial matters of the company. Looking to the responsibilities shouldered by Mr. Rajiv Aggarwal, remuneration committee of the Company has recommended to increase in his remuneration with effect from 1st April, 2017.

The information required as per part II of schedule V of the Companies Act, 2013 is furnished hereunder:

Automobile industry manufacturing auto parts since 1973.

Total turnover during the year is Rs.3370.63 Lac (Previous Year Rs. 2562.78 Lac) showing increase of 31.52% over the previous year. We have made a Profit after depreciation and interest of Rs. 800.57 Lac (Previous Year Profit of Rs. 617.15 Lac).

Exports during the year were Rs. 3124.34 Lac as against Rs. 2435.42 Lac during the previous year. During the current year our export sales are 92.69% of our total turnover.

Mr. Rajiv Aggarwal is a qualified Chartered Accountant and Company Secretary and having more than 35 years of experience in industry. He is looking after finance, legal, banking, accounts and other commercial matters of the company.

Rs.3,50,000 per month as Managing Director of the Company.

None

He is looking after finance, legal, banking, accounts, marketing and other commercial matters of the company and proposed remuneration is low comparing his qualification, experience, efforts and responsibility as Managing Director of the Company.

- i. Rent Free Accommodation: - Rent Free accommodation subject to ceiling of Rs. 2.50 lacs p.m.
- ii. Medical Reimbursement: - Reimbursement of expenses incurred for medical treatment for himself and his family.
- iii. Club Fees: - Fees of Club subject to maximum of two clubs, including admission and life membership fees.
- iv. Personal accident insurance premium not exceeding Rs. 4000 p.a.
- v. Reimbursement of Newspapers and periodicals subject to maximum limit of 24000 p.a.
- vi. Leave travelling concession: - First class air passage for self, wife, dependent children and dependent parents, once in year to any place within or Outside India subject to limit of Rs. 3.00 lacs.
- vii. Conveyance Allowance Rs 5000 per month.
- viii. Contribution to provident fund, superannuation fund, or annuity fund to the extent these, either singly or put together, are not taxable under Income tax act, 1962. Gratuity payable shall not exceed ½ month's salary for each completed year of service. Encashment of un-availed leave at the end of tenure.

Comparative remuneration figure with respect to industry is not available. However, proposed remuneration payable to Mr. Rajiv Aggarwal is low comparing his qualification, experience, efforts and responsibility as Managing Director of the Company.

Mr. Rajiv Aggarwal has no pecuniary relationship directly or indirectly with the Company as managerial personnel except remuneration as Managing Director drawn by him and dividend on equity shares, declared if any, by the Company for his shareholding in the Company.

Due to industrial recession, sales could not increase as expected and Company can not increase price of its products to maintain export sales.

The Managing Director will visit frequently the foreign countries to procure more orders and try to boost export sales.

Considering the market situation it is difficult to predict productivity and profits in measurable terms in the coming years.

The Board of Directors recommends the resolution for the approval of the members.

No Director, Key Managerial Personnel or their relatives, except Mr. Rajiv Aggarwal is directly or indirectly concerned or interested in the above resolution except to the extent of his shareholding (including his relatives), if any, in the Company.

This explanatory statement together with the accompanying notice may also be considered as an abstract of terms of the contract and memorandum under section 102 of the Companies Act, 2013.

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 27th December, 2017 at 9:00 A.M. and ends on 29th December, 2017 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd December, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website www.evotingindia.com.
4. Click on Shareholders.
5. Now enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
8. If you are a first time user follow the steps given below:

	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the serial number print in address slip.
	Enter the Date of Birth as registered with the DP/RTA in dd/mm/yyyy format Or Enter the Dividend Bank Details as recorded with your DP/RTA. Please note - In respect of Physical shareholding and whose DOB and Dividend bank details are not registered with DP/RTA should enter No. of shares held by you as on the cut-off date i.e.

9. After entering these details appropriately, click on "SUBMIT" tab.
10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
12. Click on the EVSN i.e. for the relevant Company Name, i.e. Gujarat Automotive Gears Limited on which you choose to vote.
13. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
16. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
18. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.