

29 th
<i>Annual</i>
<i>Report</i>
2015-2016



GUJARAT APOLLO INDUSTRIES LIMITED

BOARD OF DIRECTORS

MR. ANILKUMAR T. PATEL	-	<i>DIRECTOR</i>
MR. MANIBHAI V. PATEL	-	<i>DIRECTOR</i>
MR. ASIT A. PATEL	-	<i>MANAGING DIRECTOR</i>
MR. ANAND A. PATEL	-	<i>DIRECTOR</i>
MRS. NAYNA A. PATEL	-	<i>DIRECTOR</i>
MR. UGRABHAI V. PATEL	-	<i>INDEPENDENT DIRECTOR</i>
MR. NAVINCHANDRA V. SHAH	-	<i>INDEPENDENT DIRECTOR</i>
MRS. KAPILABEN A. PATEL	-	<i>INDEPENDENT DIRECTOR</i>
MR. NAMAN PATEL	-	<i>INDEPENDENT DIRECTOR</i>

COMPANY SECRETARY

CS NEHA CHIKANI SHAH

STATUTORY AUDITORS

M/s. DJNV & CO.,
Chartered Accountants,
Ahmedabad

BANKERS

HDFC BANK LTD.

REGISTERED OFFICE

Block No. 486, 487, 488,
Mouje Dholasan,
Taluka and District : Mehsana - 382 732

CORPORATE OFFICE

“Parishram”, 5-B, Rashmi Society,
Near Mithakhali Six Roads,
Navrangpura, Ahmedabad- 380009

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GUJARAT APOLLO INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the **TWENTY NINTH Annual General Meeting** of the members of **GUJARAT APOLLO INDUSTRIES LIMITED** will be held on Wednesday, the **28th day of September, 2016** at 11.00 A.M at the registered office of the Company at Block No. 486, 487, 488, Mouje Dholasan, Taluka and District: Mehsana – 382732 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. Audited Financial Statements of the Company for the financial year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon.
 - b. the Audited consolidated Financial Statements of the Company for the financial year ended March 31, 2016, together with the Report of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Asit Anilkumar Patel (DIN:00093332), who retires by rotation and being eligible offers himself for re- appointment.
4. To appoint a Director in place of Mr. Anand Anilkumar Patel (DIN:00002277), who retires by rotation and being eligible offers himself for re- appointment.
5. To Ratify appointment of Statutory Auditors and fix their remuneration and for that purpose to consider and, if thought fit to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s. DJNV & Co., Chartered Accountants (ICAI Registration No. 115145W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next Annual General Meeting to be held in 2017 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company on recommendation of audit committee.”

SPECIAL BUSINESS:

6. To consider and if thought fit to pass with or without modification the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the “Companies Act”) read with the applicable provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and all other provisions of applicable law and pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded with respect to related party transaction(s) entered during the financial year 2015 with Ammann Apollo India Private Limited for supply of Assemblies, sub-assemblies, components & Spare parts for various equipment not exceeding ₹ 100 crores p.a. (Rupees One Hundred Crores only)

RESOLVED FURTHER THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary or expedient or proper in respect of the above related party transaction including the timing, the amount and other terms and conditions of such transactions and further including variation in terms and conditions as it may, in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution.”

7. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the proviso of Section 180 of the Companies Act, 2013 (the “Companies Act”) and rules framed thereunder and all other provisions of applicable law approval of the Members of the Company be and is hereby accorded to transfer all the shares of wholly owned subsidiary, Apollo Mascninenbau GmbH, Germany at an agreed price of Euro 1/- in favour of Mr. Klaus Sprehe, Frankenstr, 31, D-74906 Bad Rappenau, Germany.

RESOLVED FURTHER THAT Mr. Asit A. Patel, Managing Director of the Company and/or any other Director of the Company be and are hereby to take all decisions and steps necessary or expedient or proper in respect of the above sale as and when necessary and to do any such acts, deeds, things, matters in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution.”

By order of the Board of Directors

**Place : Ahmedabad
Dated : 12th August, 2016**

**Neha Chikani Shah
Company Secretary
Membership No. A25420**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLE INSTEAD OF HIM/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN **48 HOURS** BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY LETTER/POWER OF ATTORNEY, AS APPLICABLE, ISSUED BY THE MEMBER ORGANIZATION. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES TO ATTEND THE MEETING ARE REQUESTED TO SEND TO THE COMPANY, A CERTIFIED COPY OF BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVE(S) TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and the Rules framed thereunder, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.
3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in respect of business under item No. 6 & 7 is annexed hereto.
4. The Register of Members and Share Transfer Book of the Company will remain closed from 23rd September, 2016 to 28th September, 2016 (both days inclusive) for the purpose of AGM and Dividend to be declared.
5. Pursuant to Section 124 of the Companies Act, 2013, the Company is required to transfer the amount of dividend remaining unpaid or unclaimed for a period of seven years to the Investors Education and Protection Fund established by the Central Government. It may be noted that no claims will lie against the Company or the Investors Education and Protection Fund in respect of the said unclaimed dividend amount transferred to the Fund. The members who have not claimed their dividend for the financial year ended 31st March, 2009 and onwards are requested to lodge their claim with the Company.
6. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the National Electronic Clearing System (NECS). Members are requested to avail NECS facility as it is quick and much convenient way of getting dividend directly in your bank account. Members desirous of availing NECS facility are requested to submit bank particulars in ECS Mandate Form, the format of which is annexed at the end of this Annual Report

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7. Members are requested to notify immediately the change in address, if any, to the Company or to the Registrar and Transfer Agents (R&TA) or with their respective Depository Participants in case the shares are in electronic form.
8. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the meeting so that the information required may be made available at the meeting.
9. As per Securities and Exchange Board of India (SEBI) Circular, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's R&TAs. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective December 1, 2015), for registration of transfer of shares, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to Company's Registrar and Share Transfer Agent.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to R&TA for consolidating their holdings in single folio. The share certificates will be returned to the members after making requisite changes thereon.
11. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
12. Details of the Directors seeking Appointment/Re-Appointment at the Annual General Meeting of the Company pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General meeting issued by the Institute of Company Secretaries of India is as under:

Name of the Director	Mr. Asit Anilkumar Patel	Mr. Anand Anilkumar Patel
DIN No.	00093332	00002277
Date of Birth	25.09.1968	26.06.1972
Date of Appointment	25.06.1994	29.08.2007
Qualifications	B.S. (USA) (Engineering management)	MBA (USA), M.E. (Mechanical Engineering)
Expertise	Marketing Management	Production Planning
No. of Shares held in Company	5,000	14,09,000
List of outside Directorship(s) held on 31 st March, 2016	1. Apollo Earthmovers Ltd 2. Ammann Apollo India Pvt Ltd 3. Apollo Agro Industries Ltd	1. Apollo Earthmovers Ltd 2. Credo Mineral Industries Ltd 3. Gujarat Credo Alumina Chemicals Private Limited
Chairman/Member of the Committees of other Companies as on 31 st March, 2016	Member of Audit Committee – Apollo Agro Industries Ltd	Chairman of CSR Committee – Apollo Earthmovers Ltd

13. Green Initiative – An Important Communication to Members

Ministry of Corporate Affairs has taken a green initiative by permitting companies to send various documents like notices, annual reports including annual accounts etc. to its Members through electronic mode. Keeping in spirit with the said initiative, we request you to update your email ID with your respective DP's in case of shares held in electronic form and with Registrar & Share Transfer Agent - M/s Link Intime India Private Limited in case of shares held in physical form. Email is a better method to receive the communications quickly, with least cost implications and have longer shelf life. Company proposes to send all permitted

communications electronically to the email id's of Members unless specific request is received for a physical copy from Member. Please act and contribute to preserve environment for our better future.

14. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and as per Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members the facility to cast their vote by electronic means i.e. remote e-voting, through the e-voting services provided by Central Depository Services (India) Ltd (CDSL) on all resolutions set forth in this Notice. The instructions for e-voting are enclosed with this notice.

By order of the Board of Directors

Place : Ahmedabad
Dated : 12th August, 2016

Neha Chikani Shah
Company Secretary
Membership No. A25420

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

Item No. 6

Pursuant to provisions of Section 188(1) of the Companies Act, 2013 and rules framed there under, prior approval of share holders is required for entering into related parties transaction, if related party transaction for sale, purchase of goods or for obtaining or providing any services or any kind of related party transactions prescribed under the Companies Act, 2013 and value of such transaction exceeding the limit prescribed under the rule.

The supply agreement with Ammann Apollo India Private Limited (hereinafter referred to as "Ammann"), has been re-entered in the year 2015-2016 w.e.f. April 01, 2016.

All the prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of the Board and its Powers) Rules, 2014 are given herein below for perusal of the members:

Sr. No.	Particulars	Details
(a)	Name of the related party	Ammann Apollo India Private Limited
(b)	Name of the director or key managerial personnel who is related	Mr. Anilkumar T. Patel and Mr. Asit A. Patel are directors in Ammann Apollo India Private Limited
(c)	Nature of relationship	Ammann Apollo India Private Limited is Private Limited Company, of which Mr. Anil Patel and Mr. Asit Patel are directors and Apollo Earthmovers Limited (WOS of GAIL) holds 30% shares in the same. therefore, being a director and share holder of the private limited company, they are termed as relative, which is defined under the Companies Act, 2013
(d)	nature, material terms, monetary value and particulars of the parts, contract or arrangement	Agreement for supply of assemblies, sub assemblies, components, etc. for various equipments. The said agreement is proposed for a period of 2 (Two) Years and supply should not exceed Rs. 100 Crores p.a.

In terms of the provisions of Section 188 of the Companies Act, 2013 and SEBI Listing regulations, related parties of the Company shall abstain from voting on said resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Asit A. Patel (being director of Ammann Apollo India Private Limited) and Mr. Anilkumar T. Patel (being Director and Shareholder of Ammann Apollo India Private Limited) are deemed to be concerned or interested, in the said resolution

The Board accordingly recommended the Ordinary Resolution set out at Item No. 6 of the accompanying Notice for approval of the Members.

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Item No. 7

Looking at the European markets being sluggish and current Global conditions; the management is not so hopeful for the current business of the subsidiary and has decided to disinvest from the same to minimize losses.

Pursuant to the proviso of Section 180 of the Companies Act, 2013 and rules framed there under, approval of share holders is required for disinvesting from the capital of Apollo Maschinenbau, GmbH, wholly owned subsidiary situated at Germany.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Anilkumar T. Patel (being director of Apollo Maschinenbau GmbH) are deemed to be concerned or interested, in the said resolution

The Board accordingly recommended the Special Resolution set out at Item No. 7 of the accompanying Notice for approval of the Members.

By order of the Board of Directors

Place : Ahmedabad

Dated : 12th August, 2016

Neha Chikani Shah

Company Secretary

Membership No. A25420

E-Voting Instructions

The Business transacted as set out in the Notice may be transacted through e-voting system and Company will provide a facility for voting by electronic means. In compliance with the provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means. Please note that the voting through electronic means is optional for shareholders.

The members, whose names appear in the Register of members/list of Beneficial Owners as on Wednesday, September 21, 2016 i.e. on the Cut-off date are entitled to vote on the resolutions set forth in this Notice.

The voting through electronic means will commence on 25.09.2016 at 9.00 a.m. and will end on 27.09.2016 at 5.00 p.m. The members will not be able to cast their vote electronically envisaged herein above beyond the date and time mentioned above.

The Company has appointed Mr. Ashish Shah, Practicing Company Secretary (Membership No. F-5974) from M/s. Ashish Shah & Associates, to act as the scrutinizer for conducting the electronic voting process in a fair and transparent manner.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) The voting period begins on <25.09.2016 @ 9.00 a.m.> and ends on <27.09.2016 @ 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 <21.09.2016>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	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 first two letters of their name and the last 8 digits of the demat account/folio number in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. · Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Gujarat Apollo Industries Limited> on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit 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 they have to create a user who would be able to link the account(s) which they wish to vote on.

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- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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