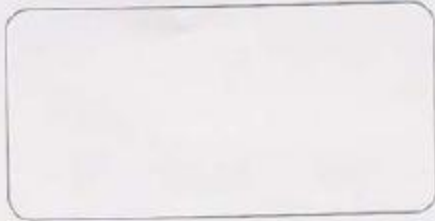


Book Post



KAG
AUTOMOTIVE PARTS

If Undelivered, please return to:
GUJARAT AUTOMOTIVE GEARS LTD.
Kaleli, Baroda - 390 012, India.
Telephone No: 0265 - 2680164 / 2680537
Fax No: 0265 - 2680984
E mail Address : gujarat.gears@gagl.net
Web Add : www.gagl.net
CIN No : L29130GJ1971PLC001866

GUJARAT AUTOMOTIVE GEARS LTD.

43rd
Annual Report
2013-2014



BOARD OF DIRECTORS:

Mr Rajiv Aggarwal	- Chairman & Managing Director
Mr Ravikant Dhawan	- Director
Mr Rajendra Prasad Sinha	- Independent Director
Mr Ankit Jain	- Independent Director

AUDITORS :

M/s. KANU DOSHI ASSOCIATES, MUMBAI

REGISTERED OFFICE :

Village Billanwali, Baddi-173205
Distt. Solan (Himachal Pradesh)
CIN: L29130GJ1971PLC001866
Telephone No.+91(1795)650426
Fax No.+91(1795)245467
E mail :gujarat.gears@gagl.net
gujarat.gears@gmail.com
Web site :www.gagl.net.

WORKS:

KALALI-VADODARA-390 012 (GUJARAT)
Telephone No. +91(265)2680164/2680537
Fax No.: +91(265)2680984



Gujarat Automotive Gears Limited

NOTICE

NOTICE is hereby given that the Forty Third Annual General Meeting of the members of Gujarat Automotive Gears Limited will be held at the registered office of the Company at Village Billanwali, Baddi-173205 Distt. Solan (Himachal Pradesh) on Saturday, 20th September, 2014 at 11.30 a.m. to transact the Following business:

Ordinary business :

- To receive, consider and adopt the audited Balance Sheet as at 31st March 2014 and the Profit and Loss Account for the year ended on that day and the Directors' and the Auditors' Report thereon.
- To declare dividend, if any
- To appoint auditors to hold office until the conclusion of the next annual general meeting and to fix their remuneration.

Special business :

- To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:
RESOLVED THAT Mr.Rajiv Aggarwal be and is hereby appointed as Director of the Company liable to retire by rotation.
- To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:
RESOLVED THAT Mr Rajendra Prasad Sinha be and is hereby appointed as Independent Director of the Company to hold office until the conclusion of the next annual general meeting.
- To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:
RESOLVED THAT Mr Ravikant Tilakraj Dhawan be and is hereby appointed as Director of the Company liable to retire by rotation.
- To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:
RESOLVED THAT Mr. Ankit Jain be and is hereby appointed as Independent Director of the Company to hold office until the conclusion of the next annual general meeting.
- To consider and if thought fit, to pass with or without modification, the following resolutions as Special Resolutions:
"RESOLVED that pursuant to section 196, 197, 200, 203 and other provisions applicable, if any and schedule V of the Companies Act, 2013 and subject to the approval of the Central Government or any other authority required, if any, consent of the members of the Company be and is hereby given for the appointment of Mr.Rajiv Aggarwal as Managing Director of the Company for a period of five years with effect from the 12th September, 2013 on the terms and conditions as detailed hereunder, with a liberty to the Board of Directors of the Company to modify the said terms and conditions within the limits prescribed/which may be prescribed in schedule V of the Companies Act, 2013 and any amendment thereof from time to time:
[i] Salary:
Not exceeding Rs.3,50,000/- [Rupees Three Lacs Fifty Thousand Only] per month [including perquisites and other allowance, if any] with effect from 1st April, 2014
[ii] Contribution to provident fund, superannuation fund and annuity fund will not be included in the computation of the ceiling on managerial remuneration to the extent these either singly or put together are not taxable under the Income-Tax Act. Gratuity payable should not exceed half a month's salary for each completed year of service.
[iii] Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
[iv] Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the individual appointee concerned.
"RESOLVED FURTHER THAT, where in any financial year, during the currency of tenure of Mr.Rajiv Aggarwal as Managing Director, the Company has no profit or its profits are inadequate, it may pay him minimum remuneration by way of salary, perquisites and allowances not exceeding the limits specified above for a period of three years with effect from 1st April, 2014.
- To consider and if thought fit, to pass with or without modification, the following resolutions as Special Resolutions:
RESOLVED pursuant to section 180(1)(c) and other provisions applicable, if any, of the Companies Act, 2013 that the Board of Directors of the Company be and is hereby authorized to borrow money from bank, financial institutions, other companies / persons as may be required from time to time on such terms and conditions as may be considered suitable by the Board of Directors not exceeding Rs.30 crore (Rupees Thirty Crore only) notwithstanding that the money to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the company's banker in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and free reserves.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution.
- To consider and if thought fit, to pass with or without modification, the following resolutions as Special Resolutions:
RESOLVED that consent of the Company be and is hereby accorded pursuant to section 180(a) and other provisions applicable, if any, of the Companies Act, 2013 to the Board of Directors of the Company to mortgage and or charge all the immovable and movable properties where so ever situate, present and future of the Company as security with the bank, financial institutions, other companies as may be required to avail loans, various fund base and / or non-fund base credit facilities not exceeding Rs.30 crore (Rupees Thirty Crore only).
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution.

Registered Office:
Village Billanwali, Baddi-173205
Distt. : Solan (Himachal Pradesh)
Date : 08.08.2014

By Order of the Board
Rajiv Aggarwal
Chairman & Managing Director

NOTES:

- AMEMBER 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.
- Members should notify change in the address, if any, specifying full address in block letters with pin code of the post office.
- 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.
- The register of members and share transfer book will remain closed from Tuesday, the 16th September, 2014 to Saturday, the 20th September, 2014 [both days inclusive].
- Members attending the meeting are requested to bring their copy of the Annual Report.
- Voting through electronic means : E-voting : 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.
- Explanatory statement setting out all material facts concerning the special business u/s 102 of the Companies Act, 2013 is annexed hereto :
Explanatory statement in respect of the special business u/s 102 of the Companies Act, 2013

Item No.4

Mr.Rajiv Aggarwal was appointed as additional Director at the meeting of the Board of Directors of the Company on 11th September, 2013. He is qualified Chartered Accountant and Company Secretary. He has more than 33 years of experience in industry. He is Director in other companies also. Mr.Rajiv Aggarwal will hold office up to the date of ensuing AGM. Your Company has received a notice in writing from one of the members of your Company along with a deposit of Rs.1 lac under section 160 of the Companies Act, 2013 proposing to appoint Mr.Rajiv Aggarwal as Director at the ensuing annual general meeting.

The company has received from Mr.Rajiv Aggarwal (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules 2014; and (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The Board considers that his appointment as Director of your company is in the interest of the Company. Your Board recommends his appointment as Director of your Company.

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.

Item No.5

Mr Rajendra Prasad Sinha was appointed as Independent Director at the meeting of the Board of Directors of the Company on 12th September, 2013. He is M. Sc. (Mathematics) with gold-medalist from Patna University and passed CAIIB and has varied and rich experience of over 38 years in State Bank Group. He has expertise in Corporate Finance and Credit Management. He retired as Deputy Managing Director after successfully heading two verticals viz. Information Technology and Management Audit in the country's largest commercial bank, State Bank of India. He is Director in other companies also. Mr Rajendra Prasad Sinha will hold office up to the date of ensuing AGM. Your Company has received a notice in writing under the provisions of section 160 of the Companies Act, 2013 from one of the members of your Company along with a deposit of Rs.1 lac proposing to appoint Mr Rajendra Prasad Sinha as Independent Director at the ensuing annual general meeting.

The company has received from Mr Rajendra Prasad Sinha (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules 2014; and (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Your Board is of the opinion that Mr Rajendra Prasad Sinha proposed to be appointed as Independent Director fulfils the conditions specified in the Act and the rules made there under and that he is independent of the management. Mr Rajendra Prasad Sinha eligible and seeking re-appointment is proposed to be appointed as an Independent Director until the conclusion of the next annual general meeting. A copy of the draft letter for appointment of Mr Rajendra Prasad Sinha as an independent director setting out the terms and conditions is available for inspection by members at the registered office of the company.

The Board considers that his appointment as Independent Director of your company is in the interest of the Company. Your Board recommends his appointment as Director of your Company.

No Director, Key Managerial Personnel or their relatives, except Mr Rajendra Prasad Sinha 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.

Item No.6

Mr Ravikant Tilakraj Dhawan was appointed as Additional Director at the meeting of the Board of Directors of the Company on 12th September, 2013. He is B.E. (Mechanical), PGDBM (Marketing) having 42 yrs of rich experience in the Auto and Auto Ancillary industries in India. He is Director in other companies also. Mr Ravikant Tilakraj Dhawan will hold office up to the date of ensuing AGM. Your Company has received a notice in writing from one of the members of your Company along with a deposit of Rs.1 lac under section 160 of the Companies Act, 2013 proposing to appoint Mr Ravikant Tilakraj Dhawan as Director at the ensuing annual general meeting.

The company has received from Mr Ravikant Tilakraj Dhawan (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules 2014; and (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The Board considers that his appointment as Director of your company is in the interest of the Company. Your Board recommends his appointment as Director of your Company.



No Director, Key Managerial Personnel or their relatives, except Mr Ravikant Tilakraj Dhawan 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.

Item No.7

Mr. Ankit Jain was appointed as Independent Director at the meeting of the Board of Directors of the Company on 11th September, 2013. Mr. Jain is a Director at KDA Corporate Advisors Pvt. Ltd. and lends his unmatched business acumen and a sharp strategic vision to key corporate finance, M&A and PE projects. With more than five years of experience, he has domain expertise across Automobile, Oil & Gas, Mining and Outsourcing verticals. Prior to joining KDA Corporate Advisors, he worked with Mazars Singapore, a French consulting firm where he exhibited exceptional leadership abilities. He went on to become the co-founder of 'A Cube Consultants' in Singapore.. Mr. Ankit Jain will hold office up to the date of ensuing AGM. Your Company has received a notice in writing from one of the members of your Company along with a deposit of Rs.1 lac under section 160 of the Companies Act,2013 proposing to appoint Mr. Ankit Jain as Independent Director at the ensuing annual general meeting.

The company has received from Mr. Ankit Jain (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules 2014; and (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Your Board is of the opinion that Mr. Ankit Jain proposed to be appointed as Independent Director fulfils the conditions specified in the Act and the rules made there under and that he is independent of the management. Mr. Ankit Jain eligible and seeking re-appointment is proposed to be appointed as an Independent Director until the conclusion of the next annual general meeting. A copy of the draft letter for appointment of Mr. Ankit Jain as an independent director setting out the terms and conditions is available for inspection by members at the registered office of the company.

The Board considers that his appointment as Independent Director of your company is in the interest of the Company. Your Board recommends his appointment as Director of your Company.

No Director, Key Managerial Personnel or their relatives, except Mr. Ankit Jain 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.

Item No.8

Mr.Rajiv Aggarwal was appointed as Managing Director for a period of five years w.e.f. 12th September, 2013, as per resolution passed at the meeting of the Board of directors of the Company held on 12th September, 2013, subject to approval of the Company by special resolution. He has not been paid any remuneration upto 31st March,2014. He is a qualified Chartered Accountant and Company Secretary and having more than 33 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 pay him remuneration with effect from 1st April,2014 on a remuneration mentioned as above.

The information required as per clause iv of second proviso of section II of para II of schedule V of the Companies Act,2013 is furnished hereunder:

I. General Information:

1. **Nature of Industry :** Automobile industry manufacturing auto parts since 1973.
2. **Financial Perfomance :** Profit after depreciation and interest of Rs.692.29 Lac (Previous Year Profit of Rs 605.26 Lac). Exports during the year was Rs. 2795.22 Laces as against Rs. 2325.22 Laces during previous year showing a growth of 20.21%.
The Company's net profit after taxation is Rs. 464.58 lacs for the year ended 31st March, 2014 compare to previous year profit of Rs. 407.90 showing rise of 13.90%
3. **Export Performance:** Exports during the year was Rs. 2795.22 Laces as against Rs. 2325.22 Laces during previous year showing a growth of 20.21%.

II. Information about Mr.Rajiv Aggarwal, Appointee :

1. **Background details :**Mr.Rajiv Aggarwal is a qualified Chartered Accountant and Company Secretary and having more than 33 years of experience in industry. He is looking after finance, legal, banking, accounts and other commercial matters of the company.
2. **Past remuneration :**Rs.22,80,000 per annum as Executive Director in Him Teknoforge Ltd.
3. **Recognition or awards :** None
4. **Job profile and his suitability :** 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.
5. **Remuneration proposed :**
 - i. **Salary:**
Not exceeding Rs.3,50,000/- {Rupees Three Lacs Fifty Thousand Only} per month [including perquisites and other allowance, if any] with effect from 1st April,2014
 - ii. Contribution to provident fund, superannuation fund and annuity fund will not be included in the computation of the ceiling on managerial remuneration to the extent these either singly or put together are not taxable under the Income-Tax Act. Gratuity payable should not exceed half a month's salary for each completed year of service.
 - iii Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
 - iv. Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the individual appointee concerned.
6. **Comparative remuneration profile with respect to industry size, size of company, profile of the person:**
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.

7. Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel:

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.

III. Other information:

1. **Reason for inadequate profits :** Due to industrial recession in European market, rise in export sales could not be achieved and Company can not increase price of its products to maintain export sales.
2. **Steps taken or proposed to be taken for improvement:** The Managing Director will visit frequently the European countries to procure major orders and tries to boost export sales
3. **Expected increase in productivity and profits in measurable terms:** Company expects to increase total sale by about 20% and accordingly profit during the year 2014-15.

The Remuneration Committee of the Company has recommended remuneration at its meeting held on 20th March,2014 as mentioned in the proposed resolution.

i) Other Information :

Total Turn over during the year is Rs.2862.97 Lac (Previous Year Rs. 2410.09 Lac) showing increase of **18.79 %** over the previous year. We have made a Profit after depreciation and interest of Rs.692.29 Lac (Previous Year Profit of Rs 605.26 Lac). Exports during the year was Rs. 2795.22 Laces as against Rs. 2325.22 Laces during Previous year showing a growth of **20.21%**.

As in the past, during the coming year more focus will be on exports with regular visits to customers and taping new customers at trade fairs and exhibitions.

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.

Item No.9

As per section 180(c) of the Companies Act,2013 the Company can not borrow moneys in excess of its paid up capital and free reserves apart from temporary loans obtained from the company's banker in the ordinary course of business except with the consent of the members of the Company in general meeting by special resolution. Your Company intends to expand its business and will require more fund by way of loan from the bank, financial institutions, other companies/ persons. Since total loan of Rs.30 crore (Rupees Thirty Crores only) will exceed the aforesaid limit, prior approval by means of special resolution passed at the general meeting is necessary.

Your Board recommends the above special resolution.

No other Directors are directly or indirectly interested or concerned in the above resolutions.

Item No. 10

Your Company requires to mortgage/ charge its immovable and movable properties as security to avail various credit facilities from the bank, financial institutions, other companies/ persons from time to time. As per section 180(a) of the Companies Act,2013 the Company can not mortgage/ charge its immovable and movable properties except with the consent of the members of the Company in general meeting by special resolution. Your Board recommends the above special resolution.

No other Directors are directly or indirectly interested or concerned in the above resolutions.

Registered Office:

Village Billanwali, Baddi-173205
Distt. : Solan (Himachal Pradesh)
Date : 08.08.2014

By Order of the Board

Rajiv Aggarwal
Chairman & Managing Director

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

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (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.



Gujarat Automotive Gears Limited

(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) <ul style="list-style-type: none"> 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 client ID account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field. Please note-If your name in the Register of Members of company starts with any Prefix Like "Dr","Mr","Mrs","Smt"; etc.then please use the first two letters of The Prefix.If the second letter in your Name contains any special character,then use the number 0 in its place.For exact name, please refer the Address Slip.
DOB Or Dividend Bank Details	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. 18 th , August, 2014

(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 no 140726005 for the relevant Gujarat Automotive Gears Ltd 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.

- 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 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.
- 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.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 14th September 2014 at 9.00 AM and ends on 16th September 2014 at 6.00 PM. 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 <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Annual Report 2013-14

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Forty Third Annual Report of the Company together with the audited accounts for the year ended on March 31, 2014

FINANCIAL RESULTS:

(Rupees in lacs)

Particular	2013-2014 Rs.	2012-2013 Rs.
1 Operating profit	736.76	648.10
2 Add :Profit on sale of assets	0	1.74
3 Total profit	736.76	649.84
4 Less : Depreciation	44.47	44.58
5 Total profit for the year after depreciation but before tax	692.29	605.26
6 Less : Provision for taxation	228.63	185.00
7 Less :Provision for deferred tax assets / liabilities	-0.92	12.36
8 Profit after tax	464.58	407.90
9 Balance of profit brought forward from previous year	1159.14	804.31
10 Profit available for appropriation	1623.72	1212.21
11 Less : Proposed dividend	10.50	10.50
12 Tax on proposed dividend	1.78	1.78
13 Transferred to general reserve	46.70	40.79
14 Net profit carried forward to balance sheet	1564.74	1159.14

OPERATIONS:

Total Turn over during the year is Rs.2862.97 Lac (Previous Year Rs. 2410.09 Lac) showing increase of 18.79 % over the previous year. We have made a Profit after depreciation and interest of Rs.692.29 Lac (Previous Year Profit of Rs 605.26 Lac). Exports during the year was Rs. 2795.22 Lacs as against Rs. 2325.22 Lacs during Previous year showing a growth of 20.21%.

During current year the exchange rate of rupee against US Dollars & Euro has been stable compared to pervious year. Also during the current year our export sales are 97.63 % of our total sales.

As in the past, during the coming year more focus will be on exports with regular visits to customers and tapping new customers at trade fairs and exhibitions.

Director's Responsibility Statement: Your Board States that

- In the preparation of the annual account for the year ended on 31st March, 2014 the applicable, accounting standards had been followed and there had been no material departures from the said standard.
- The directors had selected such accounting policies and applied it consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2014 and of the profits of the company for the year ended on that day.
- The directors had taken proper and sufficient care for the maintenance and adequate accounting statement in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The directors had prepared annual accounts for the year ended 31st March 2014 on a going concern basis.

DIVIDEND:

The Board recommends 30 % dividend (i.e Rs 0.60 per share of Rs.2) for the year ended 31st March, 2014.

DIRECTORS:

Mr.Naresh Kothari, Mr.Niranjan Unadkat, (Mrs.) T.N. Kothari, Mr.A.H. Patel and Mr.M.D. Patel resigned during the year due to handing over the management to others.