

HIM TEKNOFORGE LIMITED

(FORMERLY KNOWN AS GUJARAT AUTOMOTIVE GEARS LIMITED)

CIN: L29130HP1971PLC000904

FORTY SEVENTH ANNUAL REPORT 2017-18

BOARD OF DIRECTORS:

Mr. Vijay Aggarwal	- Managing Director
Mr. Rajiv Aggarwal	- Joint Managing Director
Mrs. Anju Aggarwal	- Non-Executive Director
Mr. Ravikant Dhawan	- Non-Executive Independent Director
Mr. Rajendra Prasad Sinha	- Non-Executive Independent Director
Mr. Pradeep Kumar	- Non-Executive Independent Director
Mr. Purshotam Lal Sharma	- Non-Executive Independent Director
Mr. Baskaran Kesavareddiyar	- Nominee Director (M/s Canbank Venture Capital Fund Limited)
Ms. Bhavana Rao	- Nominee Director (M/s IFCI Venture Capital Fund Limited)

CHIEF FINANCIAL OFFICER

Mr. Shailesh Gandhi

COMPANY SECRETARY

Ms. Snehal Chokshi (w.e.f.01/06/2018)

AUDITORS

M/s M.L.Bhuwania and Co LLP, Mumbai
(resigned w.e.f. 03/08/2018)

M/s PRA Associates, Chandigarh

REGISTERED OFFICE

Village Billanwali, Baddi -173205,
Himachal Pradesh
Telephone No.: +91(1795) 246351,245466
Fax No.: +91-1795-245467
E mail: gujarat.gears@gmail.com
Website: www.gagl.net

BANKERS:

State Bank of India
Small Industrial Development Bank of India

REGISTRAR AND TRANSFER AGENT: MCS Shares Transfer Agent Limited
1flr, Alkapuri Neelam Apartment,
88 Sampatrao Colony, Above Chhapan Bhog, Alkapuri,
Vadodara -390007, Tel No.: 0265-2350490
Email: mcsltbaroda@gmail.com

WORKS

1. Gear Division, Village Billanwali,
Labana, Baddi, Dist.: Solan (HP)
2. Manpura Unit, HP
3. Unit IV- Baddi (HP)
4. Pithampur Unit- I, MP
5. Pithampur Unit- II, MP
6. Kalali, Vadodara Unit (Gujarat)
7. Gametha Unit, Vadodara (Gujarat)
8. Admin office: Sector 7C, Chandigarh

CONTENTS

SR. NO	SUBJECT	PAGE NO.
1	Notice to the Members	
2	Board's Report	
3	Annexures to Board's Report	
4	Auditors' Report	
5	Financial Statements	
6	Attendance and Proxy form	

NOTICE

CIN: L29130HP1971PLC000904

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

NOTICE is hereby given that the 47th Annual General Meeting of the members of HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited) will be held at 11.30 a.m. on Saturday, the 29th September, 2018 at the Registered Office of the Company situated at VILLAGE BILLANWALI, BADDI, HP 173205 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss of the Company for the year ended on that day together with the Directors' and Auditors' Reports thereon.
2. To declare dividend of Rs. 0.40 (20%) per Equity Share of Rs. 2/- each for the Financial Year 2017-18.
3. To appoint Mr. Rajiv Aggarwal (DIN: 00094198), who retires by rotation and being eligible offers himself for re-appointment as Director.

SPECIAL BUSINESS :

4. APPOINTMENT OF MR. VIJAY AGGARWAL (DIN: 00094141) AS MANAGING DIRECTOR OF THE COMPANY:

To consider and if though fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof and subject to the approval of shareholders, Mr. Vijay Aggarwal (DIN: 00094141) be and is hereby appointed as Managing Director of the Company with effect from 31st January, 2018 on the following terms and conditions:

- A. Salary: Rs. 2,50,000/- (Rupees two lacs fifty thousand only) per month.
- B. Commission: Mr. Vijay Aggarwal shall also be entitled to commission of such amount as may be decided by the Board of Directors of the Company for each financial year expiring after the date of this revision in remuneration, provided, however, that the commission paid or payable to him in respect of each financial year shall not exceed 2.5% (two and half percent) of the net profits of the company computed as per the provisions of The Companies Act, 2013.
- C. Perquisites:
 1. House Rent Allowance : Mr. Vijay Aggarwal shall be entitled to House Rent Allowance subject to ceiling of Rs. 2,30,000/- (Rupees two lacs thirty thousand only) per month.
 2. Gas, electricity, water and furnishing - Reimbursement of expense incurred for gas, electricity, water and furnishing.
 3. Medical Reimbursement: Reimbursement of expenses incurred for the medical treatment for himself and his family.
 4. Club Fees: Fee of club subject to a maximum of two clubs, including admission and life membership fees.
 5. Personal Accident Insurance Premium: Not exceeding Rs. 4,000/- p.a.
 6. Leave travel Concession: First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
 7. Telephone: The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
 8. Conveyance Allowance: Rs. 5,000/- per month.

In addition to the remuneration and perquisites to be paid as aforesaid, the company shall also make contributions to provident fund, superannuation fund or annuity fund to the extent these, either singly or put together, are not taxable under Income Tax Rules, 1961. The company will also provide for gratuity not exceeding half a month's salary for each completed year of service. In addition, Mr. Vijay Aggarwal shall be entitled for encashment of un-availed leave at the end of tenure.

RESOLVED FURTHER THAT total remuneration shall not exceed Rs. 10,00,000/- (Rupees Ten Lacs only) per month."

5. RE-APPOINTMENT OF MR. RAJIV AGGARWAL (DIN: 00094198) AS JOINT MANAGING DIRECTOR OF THE COMPANY:

To consider and if though fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof and subject to the approval of shareholders, Mr. Rajiv Aggarwal (DIN: 00094198) be and is hereby re-appointed as Joint Managing Director of the Company for a period of five years with effect from 14th August, 2018 on the following terms and conditions. The Remuneration of Mr. Rajiv Aggarwal has been approved by Members in their meeting held on 30th December, 2017:

1. Salary: Not exceeding Rs. 5,50,000/- (Rupees five lacs fifty thousand only) per month including perquisites and other allowances, if any.
2. Contribution to provident fund, superannuation 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.
3. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisite.
4. 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.

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

RESOLVED FURTHER THAT where in any financial year, during the currency tenure of Mr. Rajiv Aggarwal as Joint 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."

6. TO FIX THE REMUNERATION OF M/S S.K. JAIN & CO., COST ACCOUNTANTS WHO ARE APPOINTED AS COST AUDITORS OF THE COMPANY FOR THE F.Y. 2018-19:

To consider and if though fit, to pass the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification (s) or re-enactment thereof, M/s S.K. Jain & Co., Cost Accountants, appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2019, be paid a remuneration of Rs. 30,000/- (Rupees thirty thousand only) plus taxes as applicable as recommended by the audit committee and the remuneration shall be subject to ratification by shareholders subsequently.

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

Dated : 14.08.2018

Place: Baddi

By Order of the Board of Directors

Sd/-

Rajiv Aggarwal

Joint Managing Director

NOTES:

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 21st September, 2018 to 29th September, 2018 [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. Pardeep Singla, 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. 21st September, 2018.
13. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. 21st September, 2018 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 26th September, 2018 End of e-voting: Up to 5.00 p.m. (IST) on 28th September, 2018.
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 scrutinizing 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.

Explanatory statement setting out all material facts concerning the special business under Section 102 of the Companies Act, 2013 is annexed hereto:

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

ITEM NO. 4:

Mr. Vijay Aggarwal on the recommendation of Nomination & Remuneration Committee was appointed as Managing Director for a period of five years w.e.f. 31st January, 2018 for the remuneration as mentioned below, as per resolution passed at the meeting of the Board of Directors of the Company held on 31st January, 2018, subject to approval of the Company. He is a B.E. (Mechanical Engineering), having 42 years of rich experience in Auto Components & Engineering Goods. He looks after the operational matters of the Company.

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

I. Information about Mr. Vijay Aggarwal, Appointee:

1. **Background details:** Mr. Vijay Aggarwal is a B.E. (Mechanical Engineering) and having more than 42 years of experience in industry. He is looking after operational matters of the company.
2. **Past Remuneration: N.A.**
3. **Recognition or awards: None**
4. **Job profile and his suitability :** He is looking after the operational and commercial matters of the Company. He has rich experience in Auto Components and Engineering Goods Industry. The proposed remuneration is low considering his qualification, experience and responsibility as Managing Director of the Company.
5. **Remuneration proposed:**
 - a. **Salary:** Rs. 2,50,000/- (Rupees two lacs fifty thousand only) per month.
 - b. **Commission:** Mr. Vijay Aggarwal shall also be entitled to commission of such amount as may be decided by the Board of Directors of the Company for each financial year expiring after the date of this revision in remuneration, provided, however, that the commission paid or payable to him in respect of each financial year shall not exceed 2.5% (two and half percent) of the net profits of the company computed as per the provisions of the Companies Act, 2013.
 - c. **Perquisites:**
 1. House Rent Allowance: Mr. Vijay Aggarwal shall be entitled to House Rent Allowance subject to ceiling of Rs. 2,30,000/- (Rupees two lacs thirty thousand only) per month.
 2. Gas, electricity, water and furnishing - Reimbursement of expense incurred for gas, electricity, water and furnishing.
 3. Medical Reimbursement: Reimbursement of expenses incurred for the medical treatment for himself and his family.
 4. Club Fees: Fee of club subject to a maximum of two clubs, including admission and life membership fees.
 5. Personal Accident Insurance Premium: Not exceeding Rs. 4,000/- p.a.
 6. Leave travel Concession: First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
 7. Telephone: The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
 8. Conveyance Allowance: Rs. 5,000/- per month.

In addition to the remuneration and perquisites to be paid as aforesaid, the company shall also make contributions to provident fund, superannuation fund or annuity fund to the extent these, either singly or put together, are not taxable under Income Tax Rules, 1961. The company will also provide for gratuity not exceeding half a month's salary for each completed year of service. In addition, Mr. Vijay Aggarwal shall be entitled for encashment of un-availed leave at the end of tenure. Total remuneration shall not exceed Rs. 10,00,000/- (Rupees ten lacs only) per month.

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. Vijay 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. Vijay 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.

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

II. Other Information:

- Reasons for loss or inadequate profits- Competitive Prices and Increasing Import Costs have affected the profitability of the company adversely. Due to lower Competitive prices, the company has to make their margin of profit lower.
 - Steps taken or proposed to be taken for improvement: The Company has initiated various steps to improve its operational performance/liquidity, including lowering its operating cost, augmenting its branded sales and diversifying in profitable ventures. Improved productivity and cost control measures have been put in place. Various realignment initiative ensured reduced debt burden on the Company resulting in overall reduction in finance cost.
 - Expected increase in productivity and profit in measurable terms: The Company expects that with the improvement in customer sentiment and increased customer spending will enable the growth momentum to pick up. The management continues to be optimistic towards the external economic environment and expects customers demand to become more consistent and robust in the current financial year.
- Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.

Name of the Director	Mr. Vijay Aggarwal
Date of Birth	11 th October, 1949
Nationality	Indian
Date of Appointment on Board	31 st January, 2018
Qualifications	B.E. (Mechanical Engineering)
Nature and Expertise in specific functional areas	42 Years of rich experiment in Auto Component & Engineering Goods
Number of shares held in Company	7,46,634
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	Nil

III. Disclosures:

Other disclosures have been mentioned in the Board of Directors' report under the heading "Corporate Governance" attached to the annual report.

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 for drawing his remuneration and Mrs. Anju Aggarwal are directly or indirectly concerned or interested in the above resolution except to the extent of their shareholding (including his relatives), if any, in the Company

ITEM NO. 5:

Mr. Rajiv Aggarwal was appointed for five years in the Annual General Meeting held on 30th September, 2013 with effect from 12th September, 2013. His term of office is expiring on 10th September, 2018 and your Directors, subject to the approval of the shareholders in the General Meeting, has re-appointed him as Joint Managing Director with effect from 14th August, 2018 as per resolution passed at the meeting of the Board of Directors of the Company held on 14th August, 2018. He has been paid remuneration of not exceeding Rs. 5,50,000/- per month (including perquisites and other allowance, if any) as approved by the Shareholders in the 46th Annual General Meeting of the Company held on 30th December, 2017. He is a qualified Chartered Accountant and Company Secretary and having more than 36 years of experience in the 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, Nomination and Remuneration Committee of the Company has recommended to pay remuneration with effect from 14th August, 2018.

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

I. Information about Mr. Rajiv Aggarwal, Appointee :

- Background details: Mr. Rajiv Aggarwal is a qualified Chartered Accountant and Company Secretary and having more than 36 years of experience in the industry. He is looking after finance, legal, banking, accounts and other commercial matters of the company.
- Past Remuneration: Rs.5,50,000/- per month as Joint Managing Director of the Company.
- Recognition or awards: None
- 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 Joint Managing Director of the Company.
- Remuneration proposed:
 - Salary: Not exceeding Rs.5,50,000/- (Rupees five lacs fifty thousand Only) per month including perquisites and other allowances, if any with effect from 1st April, 2017.
 - 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.
 - Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
 - 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 Joint 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 Joint Managing Director drawn by him and dividend on equity shares, declared if any, by the Company for his shareholding in the Company.

II. Other Information:

- Reasons for loss or inadequate profits- Competitive Prices and Increasing Import Costs have affected the profitability of the company adversely. Due to lower Competitive prices, the company has to make their margin of profit lower.
- Steps taken or proposed to be taken for improvement: The Company has initiated various steps to improve its operational performance/liquidity, including lowering its operating cost, augmenting its branded sales and diversifying in profitable ventures. Improved productivity and cost control measures have been put in place. Various realignment initiative ensured reduced debt burden on the Company resulting in overall reduction in finance cost.
- Expected increase in productivity and profit in measurable terms: The Company expects that with the improvement in customer sentiment and increased customer spending will enable the growth momentum to pick up. The management continues to be optimistic towards the external economic environment and expects customers demand to become more consistent and robust in the current financial year.

Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.

Name of the Director	Mr. Rajiv Aggarwal
Date of Birth	23 rd August, 1958
Nationality	Indian
Date of Appointment on Board	14 th August, 2018
Qualifications	Chartered Accountant and Company Secretary
Nature and Expertise in specific functional areas	More than 36 years of experience including 15 years as Corporate Finance, Legal, Corporate Communication, Operations, Marketing, Corporate Strategy Development, General Management and 21 years in Auto Industry.
Number of shares held in Company	9,90,306
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	Nil

III. Disclosures:

Other disclosures have been mentioned in the Board of Directors' report under the heading "Corporate Governance" attached to the annual report.

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

No Director, Key Managerial Personnel or their relatives, except Mr. Vijay Aggarwal for drawing his remuneration and Mrs. Anju Aggarwal are directly or indirectly concerned or interested in the above resolution except to the extent of their shareholding (including his relatives), if any, in the Company.

ITEM 6:

The Board at its meeting held on 30th May, 2018, on the recommendations of the Audit Committee has appointed M/s S.K. Jain & Co., Cost Accountants as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 on a remuneration of Rs. 30,000/- (Rupees thirty thousand only) plus taxes as applicable as recommended by the Audit Committee. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the shareholders.

The instructions for shareholders voting electronically are as under:

- The voting period begins on 26th September, 2018 at 9:00 A.M. and ends on 28th September, 2018 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 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on Shareholders.
- 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.
- Next enter the Image Verification as displayed and Click on Login.

HIM TEKNOFORGE LIMITED
(Formerly known as Gujarat Automotive Gears Limited)

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:

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 sequence number print in address slip Indiced in the PAN Feld.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth Cin dd/mm/yyyy format as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id/Folio number in the Dividend bank details field as mentioned in instruction (4)

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 EVEN i.e. 180827085 for the relevant Company Name, i.e. Him Teknoforge Limited (Formerly known as 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. Shareholder can also use Mobile app -"m-Voting" for e voting. M-Voting app is available on Apple, Android and Windows based mobile. Shareholder may login to m-Voting using their e-Voting Credentials to vote for the Company resolution(s).
20. Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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.
21. 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.

Dated : 14.08.2018
Place: Baddi

By Order of the Board of Directors
Sd/-
Rajiv Aggarwal
Joint Managing Director

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 47th Annual Report of the Company together with the audited accounts for the Financial Year ended March 31, 2018.

1. Financial summary or highlights/Performance of the Company

FINANCIAL RESULTS:

(Rupees in lacs)

Particular	2017-2018	2016-2017
Revenue from Operations	27375.43	25135.06
Add: Other Income	345.21	112.78
Total Income	27720.64	25247.84
Profit before Depreciation and Tax (PBDT)	1827.93	1678.43
Less: Depreciation	735.16	657.30
Profit Before Tax (PBT)	1092.77	1021.13
Less: Taxes		
(a) Current Year Tax	234.87	272.00
(b) Taxes for Earlier Years	-	(0.13)
(c) Deferred Tax	(193.87)	33.78
Profit after Tax	1051.77	715.48
Dividend	20%	-
Earnings per Share's (Rs. 2/- each) (Basic & Diluted)	Rs. 13.37	Rs.9.10

(Financial Results for the year ended 31st March, 2018 are in compliance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and previous year figures for the year ended 31st March 2017, have been restated to make them Comparable.)

2. DIVIDEND

The Directors are pleased to recommend a dividend of Rs. 0.40 (20%) per Equity Share of Rs. 2/- each for the financial year ended on 31st March, 2018.

3. RESERVES

No amount has been transferred to General Reserve.

4. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIRS

The total turnover during the year is Rs. 27375.43 Lacs (Previous Year Rs. 25135.06 Lacs). We have made a Profit after depreciation and interest of Rs. 1092.77 Lacs (Previous Year Rs. 1021.13 Lacs).

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business during the financial year 2017-18.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company has entered into Scheme of Amalgamation which affects the financial position of the Company during the Financial Year. The details of the same are mentioned below:

The Scheme of Amalgamation has been executed pursuant to the Order dated 9th January, 2018 of Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") for merger of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company).

7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the matter of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013, vide its Order dated 9th January, 2018 approved the Scheme of Amalgamation of Him Teknoforge Limited with Gujarat Automotive Gears Limited.

8. IN THE MATTER OF AMALGAMATION OF HIM TEKNOFORGE LIMITED (TRANSFEROR COMPANY) WITH GUJARAT AUTOMOTIVE GEARS LIMITED (TRANSFEE COMPANY), UNDER SECTION 230-232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the matter of Amalgamation of Him Teknoforge Limited (Transferor Company) with Transferee Company, under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013, vide its Order dated 5th May, 2017 directed the meeting of secured creditors, unsecured creditors and shareholders of the company on 23rd June, 2017.

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

As directed by the NCLT the meetings of secured creditors, unsecured creditors and shareholders of the company were held on 23rd June, 2017 at Chandigarh and the matter of Amalgamation as stated above was passed with the requisite majority respectively.

Upon receipt of requisite approval as mentioned above the second motion petition was filed with the NCLT on 6th July, 2017 for sanction of scheme of amalgamation and NCLT vide its order dated 13th July, 2017 fixed 24th August, 2017 as the date of hearing for the same.

Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the matter of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013, vide its order dated 9th January, 2018 approved the Scheme of Amalgamation of Him Teknoforge Limited with Gujarat Automotive Gears Limited.

9. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has appointed internal auditors for adequacy of internal financial controls and your Board has taken adequate care for financial controls.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company has no Subsidiary/Joint Venture/Associate Company during the year.

11. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

No details are given as your Company has no Subsidiary/Joint Venture/Associate Company during the year.

12. DEPOSITS

Your Company has not accepted any deposit during the year and there was no deposit at the beginning of the year. Therefore the details relating to deposits, covered under Chapter V of the Act is not applicable.

13. AUDITORS

• Statutory Auditors:

M/S M. L. BHUWANIA AND CO. LLP (FRN: 101484W/W100197) and M/S PRA ASSOCIATES (FRN: 2355N), Chartered Accountants, were appointed as the Joint Auditors of the Company for the period of 5(five) years who shall hold the office as Joint Auditors of the Company till 51st Annual General Meeting of the company to be held in the year 2022.

However, M/S M. L. BHUWANIA AND CO. LLP (FRN: 101484W/W100197), Chartered Accountants, expressing their disability to continue due to their pre occupation voluntarily resigned as Joint Statutory Auditors w.e.f. 3rd August, 2018. Whereas, M/S. PRA ASSOCIATES (FRN: 2355N) shall continue to act as Statutory Auditors of the Company.

• Internal Auditors:

M/s. Ashish Mehta and Associates, Chartered Accountants, Vadodara for Baroda Unit and M/s Anand Saklecha & Co., Chartered Accountants, for Indore Units, have been appointed as Internal Auditors of the Company in terms of Section 138 of the Companies Act, 2013 and rules, made thereunder, for the Financial Year 2018-19 by the Board of Directors, upon recommendation of the Audit Committee.

14. AUDITORS' REPORT

No qualification, reservation or adverse remark or disclaimer has been made by the auditors in their auditors' report for the year 2017-18.

15. SHARE CAPITAL

Consequent to the merger in pursuance of approval of Scheme of Amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company), the changes in Share Capital of the Company are mentioned below:

As per the Scheme, 5,65,285 Equity Shares of Rs. 2/- each held by Him Teknoforge Limited (Transferor Company) in Gujarat Automotive Gears Limited (Transferee Company) stands cancelled and there is corresponding change in the Share Capital of Gujarat Automotive Gears Limited (transferee company) taking into account the cancellation of the shares of transferor company.

Further, pursuant to the said Scheme, the Board of Directors of the Company have allotted 66,81,301 Equity Shares of Rs. 2/- each to the Shareholders of Transferor Company on 30th March, 2018 and accordingly the present paid-up share capital is Rs.157.32 lacs comprising of 78,66,016 Equity Shares of Rs. 2/- each (fully paid).

16. EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT - 9 forming part of the Board's Report is attached herewith as **Annexure-A**.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are attached herewith as **Annexure-B**.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details on the CSR activities are enclosed as **Annexure-C**.

19. DIRECTORS

A) Changes in Directors and Key Managerial Personnel

The following changes in Directors and Key Managerial Personnel were made during the financial year 2017-18: