

**EIMCO ELECON (INDIA) LTD.**

(CIN : L29199GJ1974PLC002574)

Registered Office : Anand-Sojitra Road,  
Vallabh Vidyanagar - 388 120, Dist. Anand,  
Gujarat.

E-mail : investor@eimcoelecon.in

Website : www.eimcoelecon.in

Phone : 02692 - 230502 / 230602,

Fax : 02692 - 236506

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 44<sup>th</sup> Annual General Meeting of EIMCO ELECON (INDIA) LTD. will be convened on Tuesday, the 31<sup>st</sup> July, 2018 at 3.00 p.m. at the Registered Office of the Company at Vallabh Vidyanagar 388 120, Gujarat State to transact following business :

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statements (Both Standalone and Consolidated) of the Company for the financial year ended on 31<sup>st</sup> March, 2018 and the Reports of the Board of Directors & Auditors thereon.
2. To declare Dividend on Equity Shares of the Company for the financial year ended on 31<sup>st</sup> March, 2018.
3. To appoint a Director in place of Shri P. C. Amin (DIN 01056652) who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or enact thereof, for the time being in force), and pursuant to the appointment of M/s. Thacker Butala Desai, Chartered Accountants, (Registration No. 110864W) made at the 43<sup>rd</sup> Annual General Meeting of the Company held

on 2<sup>nd</sup> August, 2017, the Company hereby ratifies the appointment of M/s. Thacker Butala Desai, Chartered Accountants, (Registration No. 110864W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 45<sup>th</sup> Annual General Meeting for the financial year 2018-19 on such remuneration as may be decided by the Board of Directors of the Company.”

**SPECIAL BUSINESS**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable for the financial year ending on 31<sup>st</sup> March, 2019 to M/s. Y. S. Thakar & Co., Cost Accountants (Registration No.000318) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2019, amounting to ₹ 40,000/- (Rupees Forty Thousand only) plus Taxes as applicable and re-imbursalment of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

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

**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (‘the Act’) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing

Regulations), and the Company's policy on Related Party Transactions, the approval of the Members be and is hereby accorded to the contract(s)/arrangement(s)/transaction(s) to be entered into by the Company with Emtici Engineering Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be mutually agreed between the Company and Emtici Engineering Limited, the Commission payable to Emtici being the material transaction as per the Act and the Listing Regulations may exceed the 10% of consolidated turnover of last audited financial results of the Company, for the period of five years commencing from 1<sup>st</sup> April, 2018, provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to the Board of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution”.

7. To consider and if thought fit to pass following Resolutions as a Special Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable

provisions, if any, of the Companies Act, 2013 and amendments thereof from time to time, the approval of the Members of the Company be and is hereby accorded to make the payment of remuneration to Shri M.G. Rao, the Whole-time Director of the Company in excess of 5% of the Net Profit of the Company computed under Section 198 of the Companies Act, 2013 but within the overall limit of 10% of the Net Profit of the Company as computed under Section 198 of the Companies Act, 2013 for the Financial Year 2017-18.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to the Board of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution”.

By Order of the Board of Directors,

Registered Office:  
Anand-Sojitra Road,  
Vallabh Vidyanagar,  
Gujarat - 388 120.

Date : 3<sup>rd</sup> May, 2018

**Bharti L. Isarani**  
Company Secretary

## NOTES :

**A. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 5 and 6 of the accompanying Notice are annexed hereto.**

**B. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY/PROXIES FORM/S IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten per cent of the total share capital of the Company. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.**

**C. The Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.**

**D. The Register of Members & Share Transfer Books of the Company will be closed from 25<sup>th</sup> July, 2018 to 31<sup>st</sup> July, 2018 (both days inclusive).**

**E. The payment of dividend on equity shares as recommended by the Board of Directors for the financial year ended on 31<sup>st</sup> March, 2018 when declared at the meeting will be paid:**

1. To those members whose names appear

in the Register of Members of the Company on 25<sup>th</sup> July, 2018.

2. In respect of shares held in electronics form, to those “deemed members” whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) at the end of business hours on 24<sup>th</sup> July, 2018.

F. The dividend on Equity Shares, if declared at the Meeting, will be credited/dispatched on/after 3<sup>rd</sup> August, 2018.

G. The members desiring to have any information on accounts are requested to write to the Company Secretary atleast one week in advance of the meeting to enable the Company to keep the information ready.

H. The members are requested to bring with them their copy of Balance Sheet as no arrangement has been made to distribute additional copies as a measure of economy.

I. A route map showing the direction to reach the venue of the Annual General Meeting is provided at the last page of this Report.

J. In compliance with the requirements laid down in Section 124(6) of the Companies Act, 2013 read with the “Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred all equity shares in respect of which dividends had remained unclaimed by the shareholders for seven consecutive years or more i.e. for Financial Year 2009-10, to the IEPF Suspense Account.

Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of Companies Act, 2013 and Rules made thereunder. The details of the shareholders whose equity shares/dividend had been transferred to the IEPF Suspense Account are available on the website of the Company i.e. [www.eimcoelecon.in](http://www.eimcoelecon.in).



To know necessary guidelines and procedures for claiming the dividend and shares from IEPF, please login in to <http://www.iepf.gov.in/IEPFA/refund.html>.

- K. The members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Link Intime India Pvt. Ltd.
- L. The members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for

ease in portfolio management. Members can contact the Company or M/s. Link Intime India Pvt. Ltd., for assistance in this regard.

- M. The members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s. Link Intime India Pvt. Ltd., the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- N. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

By Order of the Board of Directors,

Registered Office:  
Anand-Sojitra Road,  
Vallabh Vidyanagar,  
Gujarat - 388 120.

Date : 3<sup>rd</sup> May, 2018

**Bharti L. Isarani**  
Company Secretary

**The instructions and other information relating to Remote E-Voting are as under:**

- (i) The voting period begins on 28<sup>th</sup> July, 2018 at 09.00 a.m. and ends on 30<sup>th</sup> July, 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 24<sup>th</sup> July, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders who have already voted prior to the meeting date, would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN Number</b>	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"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the Address Stickers, affixed on the Annual Report.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• 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 (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant (EIMCO ELECON (INDIA) LTD.) on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.





- (xviii) If Demat account holder has forgotten the same 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.
- (xix) Shareholders can also use Mobile app – “m-Voting” for e-voting. m-Voting app is available on Apple-IOS, Android & Windows based Mobiles. Shareholders may log into m-voting using their e-voting credentials to vote for the company resolution(s).
- (xx) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details the 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](mailto: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.
- (xxi) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**COMMENCEMENT OF REMOTE E-VOTING PERIOD:**

1. The e-voting period commences on 28<sup>th</sup> July, 2018 (9.00 a.m.) and ends on 30<sup>th</sup> July, 2018 (5.00 p.m.). During this period, Shareholders of

the Company holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is casted by the Shareholder, the Shareholder shall not be allowed to change it subsequently.

The scrutinizer shall, on conclusion of the e-voting, unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, and forward to the Chairman of the Company.

The Results shall be declared on or after the Annual General Meeting of the Company. The results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website [www.eimcoelecon.in](http://www.eimcoelecon.in) and the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

2. The voting rights of Shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company.
3. Shri Dinesh Bhimani, Practicing Company Secretary (Membership No. ACS:12192; CP No;6628) has been appointed as the Scrutinizer to scrutinize the e-voting process.
4. Facility for voting through polling paper shall also be made available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right at the meeting.
5. Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
6. Voting rights be reckoned on the paid up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 24<sup>th</sup> July, 2018.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES Act, 2013****Item No.5**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2019 as per following details:

Sr. No.	Name of Cost Auditor	Industry	Audit Fees
1.	Y. S. Thakar & Co.	Engineering	₹ 40,000/- Plus Govt. Levies/Taxes as applicable and out of pocket expenses at actual.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

None of the Director or Key Managerial Personnel and their relatives is interested or concerned in the said Resolution except to the extent of their shareholding in the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution for Item No. 5.

**Item No.6**

Emtici Engineering Ltd. is a related party of the Company under the provisions of the Companies Act, 2013 ('Act') and related regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The Company had executed the Dealership Agreement with the Emtici Engineering Limited ('Emtici'), which expired on 31<sup>st</sup> March, 2018. The Company desires to renew the Dealership Agreement with Emtici for five years commencing from 1<sup>st</sup> April, 2018.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of Shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per the last audited financial statements of the Company.

In financial year 2017-18, the turnover of the company was ₹ 142.17 crores. However, the turnover of the Company is subject to change every year in future.

However, in compliance of Section 188 of the Companies Act, 2013 and Rules made thereunder read with Regulation 23 and other related regulations of Listing Regulations and the Company's policy on Related Party Transactions; the value of the proposed aggregate commission to be paid to Emtici is likely to exceed the said threshold limit for next five financial years commencing from 1<sup>st</sup> April, 2018.

The Company had received the prior approval of Audit Committee and the consent from Board of Directors of the

Company in their respective meetings held on 6<sup>th</sup> February, 2018, for renewal of the Agreement and payment of commission to EMTICI, which may increase as per threshold limit as specified under the Act, Rules made thereunder & Listing Regulations.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, particulars of the transactions with Emtici are as follows :

1. Name of the Related Party:- Emtici Engineering Limited ('Emtici')
2. Name of the Director or KMP who is related:- None of the Director except Shri P. B. Patel to the extent of shareholding therein and Shri P. M. Patel, being the relative of Shri P. B. Patel.
3. Nature of Relationship:- Group Company.
4. Nature, material terms, monetary value and particulars of the contract or arrangement:- Agreement of Dealership for the period of five financial years commencing from 1<sup>st</sup> April, 2018. Monetary value of proposed aggregate transactions during five financial years commencing from 2018-19 is expected to be varied depending on the turnover of the company from year to year, which may exceed the threshold limit.

Draft copy of the abovesaid Agreement will be available at the office during the office hours for inspection.

Shri P. B. Patel, Executive Director and Shri P. M. Patel, Director are interested in the Resolution. None of the other Directors and any other Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution.

The Board of Directors recommends passing of the resolution as set out at Item No. 6 of this Notice as an Ordinary Resolution.

**Item No. 7**

Shri M. G. Rao is associated with the Company from 8th September, 2011 as a Whole-time Director. He was re-appointed as a Whole-time Director for further three years with effect from 8th September, 2016 on the terms and conditions as agreed by and between the Company and Shri M. G. Rao and approved by the Members at their 42<sup>nd</sup> Annual General Meeting of the Company held on 25<sup>th</sup> July, 2016.

Shri M. G. Rao was paid the remuneration as per the agreed terms by and between the Company and himself which exceeded 5% of the Net Profit computed under Section 198 of the Companies Act, 2013 ('the Act') for the Financial Year 2017-18 due to shrinkage in profit for said year.

Referring to the Sub-section 1 of Section 197 of the Companies Act, 2013 requires approval of the Members in General Meeting. On the recommendation of the Nomination & Remuneration Committee Meeting held on 3rd May, 2018; the Board approved the payment of remuneration as per agreed terms and conditions which was in excess of 5% of the Net Profit computed under Section 198 of the Act and seeks your approval.

None of the Directors except Shri M.G. Rao, Whole-time Director and any other Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution.

The Board of Directors recommends passing of the resolution as set out at Item No. 7 of this Notice as a Special Resolution.

### Details of the Director seeking re-appointment at the forthcoming Annual General Meeting

(Pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015)

<b>Name of Director</b>	<b>Shri Prashant C. Amin</b>
Date of Birth	9.08.1956
Date of Appointment	25.10.2007 but nominated as a Nominee of Elecon Engineering Co. Ltd. w.e.f. 9.11.2016.
DIN	01056652
Nationality	United States of America
Qualifications	M.B.A. (Finance) (U.S.A.) & Master Degree in Engineering & Management
Brief Resume and Expertise in specific Functional areas	<p>Shri Prashant C. Amin has more than 31 years of experience in founding various new ventures in different geographies and operating enterprises with strong leadership, strategy building and operational direction.</p> <p>He is a Nominated Director by the Joint Venture Company namely Elecon Engineering Company Limited, wherein, he has taken the responsibility of driving the Company to new heights of growth and social responsibility.</p> <p>He is actively involved in the local business developments as trustee at the Vithal Udyognagar Industries Association and is a Board Member of the Sardar Patel Energy Research Institute, the Charotar Vidya Mandal and Charotar Arogya Mandal. He also served CII Gujarat State Council as its Chairman for the year 2017.</p>
List of other Listed Companies in which outside Directorship held as on 31 <sup>st</sup> March, 2018.	- Elecon Engineering Company Limited
Chairman/Membership of Audit Committee and Stakeholders' Relationship Committees in other Listed Companies as on 31 <sup>st</sup> March, 2018.	-
No. of Shares held	1275
Relationship with any Director of the Company	-

By Order of the Board of Directors,

Registered Office:  
Anand-Sojitra Road,  
Vallabh Vidyanagar,  
Gujarat - 388120.

Date : 3<sup>rd</sup> May, 2018

**Bharti L. Isarani**  
Company Secretary