

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **51st ANNUAL GENERAL MEETING** of the Members of **GSEC LIMITED** will be held on **Thursday, the 28th day of September, 2017 at 11:30 a.m. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009** to transact the following business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company including audited Balance Sheet, as at 31st March, 2017, Statement of Profit and Loss and Cash Flow Statement for the year ended on 31st March, 2017 together with the Directors' Report and the Auditors' Report thereon.
- 2 To declare dividend on Equity Share Capital of the Company.
- 3 To appoint a Director in place of Mr. Shaishav Rakeshkumar Shah (DIN:00019293), who retires by rotation and being eligible seeks re-appointment.
- 4 To ratify the appointment of the Statutory Auditors of the Company made at the 48th Annual General Meeting and to fix their remuneration. In this connection, to consider and if thought fit, to pass, with or without modification the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modifications or amendments or re-enactments made thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors, the appointment of M/s. BJS & Associates, Chartered Accountants, Ahmedabad (Registration No. 113268W) made up to conclusion of the Annual General Meeting to be held in the year 2019 (subject to ratification of the appointment by the members at every Annual General Meeting) be and is hereby ratified until the conclusion of the next Annual General Meeting of the company and that the Auditors be paid such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

- 5 Re-Appointment of Mr. Samir Hanskumar Mankad (DIN: 00421878) as a Whole-time Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Samir Mankad (DIN: 00421878) as Whole-time Director of the Company with effect from April 1, 2017 for a period of three years, as well as for the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors and /or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment in such manner as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the said Director shall be liable to retire by rotation.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above, however in any case, the total remuneration shall not exceed the limit as specified in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

NOTES:

- 1 A member entitled to attend and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
- 2 Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting right. In case the proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy cannot act as a proxy for any other person or shareholder.
- 3 A proxy, in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the meeting.

- 4 A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 5 Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 6 Only bonafide members of the company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- 7 Members are requested to bring their copies of Annual Report to the Meeting.
- 8 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.
- 9 Company has fixed 28th September, 2017 as record date for the purpose of determining the entitlement of dividend.
- 10 The unclaimed/unpaid dividend till the financial year ended March 31, 2009 has been transferred to the Investor Education and Protection Fund of the Central Government ("the Fund"). Shareholders are requested to note that once unpaid/unclaimed amounts are transferred to the Fund, no claim shall lie against the Fund or the Company. Shareholders who have not yet encashed their dividend warrants are requested to do so sufficiently in advance before the said transfers take place.
- 11 Members are requested to intimate any change of name, address etc. to RTA i.e. M/s. Bigshare Services Private Limited at A/802, Samudra Complex, Near Klassic Gold Hotel, Off C G Road, Ahmedabad-380009 or the Secretarial Department of the Company at registered office immediately.
- 12 Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
- 13 Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the new share transfer form SH-4 for the same.
- 14 Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
- 15 Members desiring for cancelling or making any variation in the details of nomination are required to submit SH 14 as prescribed by the Government and the form can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
- 16 Members may also note that the Notice of the 51st Annual General Meeting and the Annual Report for the financial period ended on 31.03.2017 will also be available on the Company's website www.gsecl.co.in for their download.
- 17 The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the registered office address or e-mail their grievances/queries to the e-mail address: cs@gsecl.co.in.
- 18 A Route Map showing the Directions to reach the venue of the 51st Annual General Meeting is attached herewith as per the requirement of Secretarial Standards - 2 on General Meeting.

19 Details of Directors seeking appointment/re-appointment at the 51st Annual General Meeting of the Company:

Name of Director	Mr. Samir Hanskumar Mankad	Mr. Shaishav Rakesh Shah
Date of Birth	July 13, 1960	May 22, 1984
DIN	00421878	00019293
Date of Appointment	March 08, 2004	June 12, 2010
Relationship with Directors	None	Spouse of Ms. Raji Shah Wholetime Director of the company and Son of Mr. Rakesh Shah Managing Director of the company
Qualifications	B.E. (Mechanical), M.B.A.	B Com and Post Graduate Diploma in Management
Expertise in functional area	Air Cargo operations, Logistics and allied services	Business development, Administrative and Finance
Board Membership in other Companies as on March 31, 2017	1. GSEC LOGISTICS LIMITED 2. GSEC AVIATION LIMITED 3. GSEC RENEWABLE ENERGY PRIVATE LIMITED	1. GSEC AVIATION LIMITED 2. GSEC LOGISTICS LIMITED 3. KALPAVRUKSHA ESTATE AND FINANCE PRIVATE LIMITED 4. GSEC GREEN ENERGY PRIVATE LIMITED 5. GSEC RENEWABLE ENERGY PRIVATE LIMITED 6. VINBUILD INFRASTRUCTURE PRIVATE LIMITED
Chairman/Member of the Committee of the Board of directors in other companies as on March 31, 2017	Nil	Nil
Number of Shares held in the Company as on March 31, 2017	Nil	487270 (6.45%)

By Order of the Board of Directors,

CHINTAN PATEL
Company Secretary

August 26, 2017

Registered Office: 2nd Floor, Gujarat Chamber's Building,
Ashram Road, Ahmedabad - 380 009.

EXPLANATORY STATEMENT AS REQUIRED UNDER Section 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to certain Special Businesses mentioned in the accompanying Notice.

Item No. 5

As the term of Mr. Samir Mankad as Whole-time Director was till March 31, 2017, the Board of Directors in their meeting held on December 28, 2016, has re-appointed Mr. Samir Mankad as Whole Time Director of the Company for further period of three years from April 1, 2017 to March 31, 2020, subject to approval of the members at the ensuing Annual General Meeting (AGM).

Mr. Samir Mankad has been serving as the Whole-time Director; designated as Executive Director, since the acquisition of the company from the then Government of Gujarat in 2004. Mr. Mankad holds B.E. (Mechanical), M.B.A. and has 30 years of long standing industrial experience. He looks after Air Cargo operations at all the Air Cargo Complexes of the Company very closely. Having long and successful years of experience in diversified projects management, Logistics, MIS, HR and other top management areas, he has gained a distinct knowledge and managerial skills.

On recommendation of Nomination and Remuneration Committee and considering his vast knowledge, rich business experience and continuous efforts made towards the growth of the Company the Board has proposed his re-appointment as Whole-Time Director for further period of three years w.e.f. from 1st April, 2017 and payment of remuneration as per the terms and conditions as mentioned below.

Tenure: 1st April, 2017 to 31st March, 2020

Salary: Salary plus allowances with different breakup be revised and payable monthly / yearly basis within overall limit of yearly package not exceeding of ₹ 24,00,000/-, subject to ceiling of the managerial remuneration under the Companies Act, 2013 and rules made thereunder, for each year.

Increment: An annual increment in the range of 15%-20% depending upon the performance, on the total salary amount based on the existing HR Policy of the Company.

Perquisites: In addition to the salary, the said Director shall be eligible for the following perquisites, which shall not be included in the computation of ceiling of remuneration specified herein above.

- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.

Other benefits:

- (i) Medical Reimbursement: Expenses incurred for self and his family subject to a ceiling of ₹ 24,000/- per year or ₹ 72,000/- over a period of three years.
- (ii) Motor Car for official use and purpose shall be provided by the Company and entitled for expenses for Driver and fuel reimbursement shall be made.
- (iii) In addition to above, the said Director shall be entitled to all other perquisites and benefits as applicable to the Executive Directors of the Company as per the Remuneration Policy framed by the Nomination and Remuneration Committee and existing rules and policies of the HR Department of the Company.

The Board recommends the Resolution set out under item No. 5 for approval of members.

None of the other Directors of the Company and / or their relatives are concerned or interested, financially or otherwise in the said resolution except Mr. Samir Mankad, being the concerned appointee.

The Company is not required to appoint Key Managerial Personnel in the Company.

**STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF
SCHEDULE V OF THE COMPANIES ACT, 2013**

I GENERAL INFORMATION:

1	Nature of Industry	Air Cargo Services, export and trading activities.		
2	Date or Expected Date of Commencement of Commercial Production	Not applicable as the company has already undertaken commercial activities long back.		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
4	Financial performance based on given indicators.		(₹ in Lakh)	
		Particulars	2016-17	2015-16
		Total Income	36,604.10	31816.57
		Profit Before Tax and Depreciation (Including exceptional)	580.89	548.55
		Depreciation	246.85	269.41
		Profit Before Tax	334.04	279.14
		Tax	114.83	73.16
		Profit After Tax	219.21	205.97
		Equity Capital (face value ₹ 10)	755.00	755.00
		Earnings per Share (₹)	2.90	2.73
5	Export performance based on given indicators.			(₹ in Lakh)
		Particulars	2016-17	2015-16
		Foreign Exchange Earning	—	—
		Foreign Exchange Outgo	33.23	67.06
6	Foreign Investments or Collaborations, if any.	The Company did not have any foreign investments or collaborations.		

II INFORMATION ABOUT THE APPOINTEE:

1 Background Details:

Mr. Samir Mankad is a Mechanical Engineer and holds an M.B.A. He has on his credit a long and successful years of experience in diversified projects management, MIS, HR and other top management areas. He was serving Adani Group, a nationally renowned and diversified group for more than 5 years on a key managerial position. He is serving the Company as a Whole-time Director designated as an Executive Director since 2004-05.

2 Past Remuneration:

Details of past remuneration paid to Mr. Samir Mankad is mentioned herein below:

Period	Remuneration Paid
1st April, 2014 to 31st March, 2017	₹ 2,00,000/- Per Month

3 Recognition or awards: Nil

4 Job Profile and his suitability:

The Whole-time Director devotes his/her full time to one company and shoulders the responsibility towards the executive decision making and overall management and administration of the core operations. He also assists the Managing Director in the overall management and administration of the Company as and when needed.

Mr. Samir Mankad shoulders the responsibilities of Whole-time Director since the acquisition of the Company. His in depth understanding of the air cargo operations and logistics services of the company has strengthened the brand of the company among all the stakeholders. The Board has continuously entrusted him with the responsibility of the whole-time director throughout his career with the Company.

5 Remuneration proposed:

Tenure: 1st April, 2017 to 31st March, 2020

Salary: Salary plus allowances with different breakup be revised and payable monthly / yearly basis within overall limit of yearly package not exceeding of ₹ 24,00,000/-, subject to ceiling of the managerial remuneration under the Companies Act, 2013 and rules made thereunder, for each year.

Increment: An annual increment in the range of 15%-20% depending upon the performance, on the total salary amount based on the existing HR Policy of the Company.

Perquisites: In addition to the salary, the said Director shall be eligible for the following perquisites, which shall not be included in the computation of ceiling of remuneration specified hereinabove.

- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.

Other benefits:

- (i) Medical Reimbursement: Expenses incurred for self and his family subject to a ceiling of ₹ 24,000/- per year or ₹ 72,000/- over a period of three years.
- (ii) Motor Car for official use and purpose shall be provided by the Company and entitled for expenses for Driver and fuel reimbursement shall be made.
- (iii) In addition to above, the said Director shall be entitled to all other perquisites and benefits as applicable to the Executive Directors of the Company as per the Remuneration Policy framed by the Nomination and Remuneration Committee and existing rules and policies of the HR Department of the Company.

6 Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Being in a service industry with the responsibility entrusted by the Government with no direct competitor, no such statistics is available or can be framed out.

7 Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Samir Mankad does not hold any shares in the company. He has no pecuniary relationship with the Company to be reported except to the extent of remuneration drawn by him.

III OTHER INFORMATION:**1 Reasons of Loss or Inadequate Profits:-**

The Company's main operations i.e. air cargo handling and allied services are completely dependent on the imports and exports in and out of the state which are further dependent on the local and external environment. The Company is very prone, even to the small fluctuations in national and international economy.

Moreover, there is a direct involvement of the Government of India, through its various authorities and departments in the operations of the company. The handling and other service charges are decided directly by the concerned Department which naturally are highly customer friendly and hence render little room for the profitability for the company. Further, there are pretty high maintenance and operations costs have to be borne by the company mainly due to constantly increasing Government Royalty, space rent and other maintenance costs incurred for the latest high capacitive machineries and tools.

The trading business of petro chemicals, bitumen etc is also restricted to the number of industrial customers which are unlikely to fluctuate much. Hence, there is little room to increase the reach of the company to the whole new levels in short to medium term.

Further, due to constant increase in lending rates by banks, the burden of interest on the company has significantly gone up.

2 Steps taken or proposed to be taken for improvement:

After acquiring the company from the then Government of Gujarat, lot has gone into redefining, restructuring and improvising the operations of the Company. The company has been now stabilized and has reached to the new level of growth thanks to the diversified businesses taken up and the team efforts of the new management.

The new air cargo complex with 8X capacity to handle the air cargo against the existing one has been built. Latest technology has been introduced and the operations has been completely redefined and made more customer friendly. The result being the company has been able to register tremendous growth in operations and profitability in few years. The company has continued to right size its employee base to current level of operations.

The management of the company constantly looks after and categorizes the new avenues of businesses to add profitability. The company has also been moderate to aggressive in taking up the marketing efforts to increase its operations. The Company continues to focus on the quality of the services provided, upholding of its high business values, increase in its cost competitiveness and on widening of its distribution network. The company is expected to achieve new heights in terms of volume of operations and profitability in long term.

3 Expected increase in productivity and profits in measurable terms:

As already mentioned in Point no.1, being dependent on the external factors in terms of the main operations of the company, it is hard to project the future operations and profits. However, there is a strong content and dedication of the management of the company to register the growth in terms of increase in operations as well as the profitability of the company on a year to year basis.

By Order of the Board of Directors,

CHINTAN PATEL
Company Secretary

August 26, 2017

Registered Office: 2nd Floor, Gujarat Chamber's Building,
Ashram Road, Ahmedabad - 380 009.

GSEC Limited**CIN:** U52100GJ1965PLC001347**Regd. Office:** Gujarat Chambers Building, Ashram Road, Ahmedabad – 380 009, Gujarat**Phone:** +91-79-2655 4100 / 2657 5757 / 2658 5757 **Fax:** +91-79-26584040**Email:** info@gsecl.co.in, **Web:** www.gsecl.co.in**Attendance Slip**

I/We hereby record my/our presence at the 51st Annual General Meeting of the Company being held on Thursday 28th September, 2017 at 11:30 AM at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009.

Full name of the Member: _____**Folio No:** _____ **DP ID No.:** _____**No. of shares held:** _____**Full name of the Proxy:** _____**Member's /Proxy's Signature:** _____

Note: Please complete the Folio / DP ID-Client No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

GSEC Limited

CIN: U52100GJ1965PLC001347

Regd. Office: Gujarat Chambers Building, Ashram Road, Ahmedabad – 380 009, Gujarat

Phone: +91-79-2655 4100 / 2657 5757 / 2658 5757 **Fax:** +91-79-26584040

Email: info@gsecl.co.in, **Web:** www.gsecl.co.in

PROXY FORM
FORM NO. MGT-11

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s): _____
Registered Address: _____ _____
E-mail Id: _____
Folio / DP ID: _____

I /We being the member (s) holding Shares of the above named Company hereby appoint:

- (1) **Name:** _____
Address: _____
Email ID: _____ **Signature:** _____ **or failing him / her:**

- (2) **Name:** _____
Address: _____
Email ID: _____ **Signature:** _____ **or failing him / her:**

- (3) **Name:** _____
Address: _____
Email ID: _____ **Signature:** _____ **or failing him / her:**

as my/ our Proxy to attend and vote on poll for me/us on my/ our behalf at the 51st Annual General Meeting of the Company to be held on Thursday, the 28th September, 2017 at 11:30 AM at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009 and at any adjournment thereof and respect of such resolution mentioned below:

Resolution No.	Resolution	#Optional	
		For	Against
Ordinary Business			
1	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2	Declaration of Dividend on Equity Shares.		
3	Re-appointment of Mr. Shaishav Shah (DIN:00019293), who retires by rotation.		
4	Ratify the appointment of M/s. BJS & Associates, Chartered Accountants as Statutory Auditors and fix their remuneration.		
Special Business			
5	Re-Appointment of Mr. Samir Hanskumar Mankad (DIN: 00421878) as a Whole-time Director of the Company.		

Signed this _____ day of _____ 2017.

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix a
Revenue
Stamp
of ₹ 1

Note:

- 1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- 2 For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 51st Annual General Meeting.
- #3 It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 4 Please complete all details including details of member(s) in above box before submission

ROUTE MAP FOR AGM HALL - SHETH SRI KASTURBHAI LALBHAI HALL

