



NOTICE

NOTICE IS HEREBY GIVEN THAT the 57th Annual General Meeting of members of Elecon Engineering Company Limited will be held on Thursday, the 3rd day of August, 2017 at 2.00 p.m. at Audio Visual Hall, Eimco Elecon Building, Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat, India, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of Auditors and the Board of Directors ("the Board") thereon.
2. To declare Dividend on Equity Shares for the financial year ended on March 31, 2017.
3. To appoint a Director in place of Shri Pradip M. Patel (DIN : 00012138), who retires by rotation and being eligible, offers himself for re-appointment.
4. 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 Section 139, 141, 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 re-enactment thereof for the time being in force) and pursuant to the resolution of the members passed at 56th Annual General Meeting held on July 26, 2016, the Company hereby ratifies the appointment of M/s B S R & Co. LLP, Chartered Accountants, (Firm Regn. No. 101248W/W - 100022), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 58th Annual General Meeting to be held for the financial year 2017-18 on such remuneration as may be determined by the Audit Committee/Board of Directors of the Company."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution:**
"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members be and is hereby accorded for the re-appointment of Shri Prayasvin B. Patel (DIN : 00037394), as the Chairman & Managing Director of the Company for a period of 3 years with effect from July 1, 2017 on the terms and conditions of appointment and remuneration as mentioned in the explanatory statement and also contained in the draft agreement, with a liberty and power to the Board of Directors of the Company (including its Committee constituted for the purpose) to alter and vary the terms and conditions of the said appointment as agreed by and between the Board of Directors and Shri Prayasvin B. Patel.
RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or inadequate profit, Shri Prayasvin B. Patel will be paid remuneration, perquisites and/or allowances as stated in the draft Agreement as minimum remuneration.
RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V of the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Shri Prayasvin B. Patel within such prescribed limit or ceiling and as agreed by and between the Company and Shri Prayasvin B. Patel without any further reference by the Company in General Meeting.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution."
6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**
"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members be and is hereby accorded for the re-appointment of Shri Prashant C. Amin (DIN : 01056652), as an Executive Director of the Company for a period of 3 years with effect from June 1, 2017 on the terms and conditions of appointment and remuneration as mentioned in the explanatory statement and also contained in the draft agreement, with a liberty and powers to the Board of Directors of the Company (including its Committee constituted for the purpose) to alter and vary the terms and conditions of the said appointment as agreed by and between the Board of Directors and Shri Prashant C. Amin.
RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or inadequate profit, Shri Prashant C. Amin will be paid remuneration, perquisites and/or allowances stated in the draft Agreement as minimum remuneration.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V of the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Shri Prashant C. Amin within such prescribed limit or ceiling and as agreed by and between the Company and Shri Prashant C. Amin without any further reference by the Company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution."

7. 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 Section 148 and all other applicable provisions 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 Cost Auditors 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 March 31, 2018 be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of Board of Directors

Registered office:

Anand-Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat.

Date : May 19, 2017

Parthiv Parikh
Company Secretary



NOTES:-

1. The explanatory statement as required under Section 102(1) of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** 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.
The instruments of proxy in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is being sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. All documents referred to in the Notice or in the accompanying statement are available for inspection by members on all working days, except Saturday, Sundays and public holidays, between 10.00 a.m. to 1.00 p.m. prior to the date of the Annual General Meeting and will also be available for inspection at the meeting.
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten (10) days before the meeting so as to enable the management to keep the information ready.
5. Members are requested to send all their documents and communications pertaining to shares to the Registrar & Transfer (R & T) Agent of the Company – Link Intime India Pvt. Ltd., at their address at B-102/103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Nr. Radhakrishna Char Rasta, Akota, Vadodara —390 020, Telephone No. +91 265 2356573 /2356794, for both physical and demat segments of Equity Shares.
Please quote on all such correspondence – “Unit – Elecon Engineering Company Limited.” For Shareholders queries – Telephone No. +91 265 2356573, 2356794 Email ID vadodara@linkintime.co.in Website www.linkintime.co.in
6. The relevant information for Item Nos. 3, 5 & 6 are annexed here to pursuant to the Regulations 36 of SEBI (LODR) Regulations, 2015.
7. The Register of Members and Share Transfer books of the Company will remain closed from Friday, July 28, 2017 to Thursday, August 3, 2017 (both days inclusive).
8. Members are requested to bring their copy of Annual Report at the meeting. Spare copies will not be available.
9. Members who hold the shares in dematerialised form are requested to bring their Client ID and DP ID for easier identification of attendance at the AGM.
10. Members who have not encashed their dividend warrants may approach the Company/R&T Agent for obtaining duplicate warrants.
11. The annual listing fees for the year 2017-18 have been paid to the Stock Exchanges where Company's shares are listed.
12. Members holding the shares in physical mode are requested to notify immediately for change of their address and bank particulars to the R&T Agent of the Company.
In case the shares are held in dematerialized form, then information should be furnished directly to their respective Depository Participant (DP) only.
13. Any request by shareholders for change of bank particulars after dispatch of dividend warrant should be accompanied by copy of Client Master list showing the changed bank details.
14. The payment of dividend on equity shares as recommended by the Directors for the year ended March 31, 2017 when declared at the meeting, will be paid:
 - (i) to those members whose names appear in the Register of Members of the Company on Thursday, August 3, 2017.
 - (ii) in respect of shares held in electronics form, to those “deemed members” whose names appear on the statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd, (CDSL) at the end of business hours on Thursday, July 27, 2017.
15. The Company has a designated email ID for Redressal of Shareholders’/Investors’ Complaints/Grievances. Hence, please write to us at investor.relations@elecon.com.
16. **The instructions and other information relating to Remote E-Voting are as under:**
 - (i) The voting period begins on Monday, July 31, 2017 at 9.00 a.m. and ends on Wednesday, August 2, 2017 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 Thursday, July 27, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form

- should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com

- www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN Number	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 which is printed on the Address sticker which is affixed on Annual Report.
Dividend Bank Details OR Date of Birth (DOB)	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"> 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).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding Shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Elecon Engineering Company Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also use Mobile app - "m-Voting" for e-voting. m-Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m-Voting using their e-voting credentials to vote for the Company resolution(s).
- (xix) 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 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.
 - 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.

- (xx) 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.

COMMENCEMENT OF REMOTE E-VOTING PERIOD:

1. The e-voting period commences on Monday, July 31, 2017 at 9.00 a.m. and ends on Wednesday, August 2, 2017 at 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 cast 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.elecon.com 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. Mr. Dinesh Bhimani, Practising Secretary (Membership No. FCS: 8064; CP No; 6628) has been appointed as the Scrutinizer for the e-voting process.
4. Facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
5. Members who have cast 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. Thursday, July 27, 2017.

By order of Board of Directors

Registered office:

Anand-Sojitra Road
Vallabh Vidyanagar - 388 120.
Gujarat.
Date:- May 19, 2017

Parthiv Parikh
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 5

Shri Prayasvin B. Patel has been the Managing Director of the Company since last 25 years. Lastly, the members at the 54th Annual General Meeting of the Company held on August 4, 2014 re-appointed Shri Prayasvin B. Patel as Chairman & Managing Director for a period of 3 years with effect from July 1, 2014 on the terms and conditions as approved by them. His appointment and terms of remuneration were also approved by the Govt. of India through Ministry of Corporate Affairs vide its permission dated December 16, 2014. The present term of his appointment will expire on June 30, 2017.

Shri Prayasvin B. Patel is B.E with Mechanical Engineering. He also holds a Master of Business Administration from Loyola University of U.S.A. He joined the organization as the Joint Managing Director in the year 1983. He became Managing Director in 1993, and in the year 2006 took charge of the overall responsibilities of Elecon Group of Industries as the Chairman and Managing Director. Today, he is a Group Chairman which has a turnover of approximately ₹ 2000 Crores.

On joining the organization, Shri Prayasvin B. Patel took charge of the entire responsibility of both the Gear and Material Handling Equipments (MHE) divisions of the business. His keenness to improvise, hands on approach and his active participation has seen the Gear Division rise to become Asia's largest manufacturer of Industrial Gears.

Under his exemplary guidance, the Gear Division of the Company manufactures the largest range of industrial gearboxes and power transmission products and has set a benchmark in the Indian Gear Industry by introducing many firsts. It has also proudly partnered the Indian Navy, by supplying them with marine gearboxes for their stealth warships and air craft carrier. This has risen the status of Elecon Gears by making them join the elite list of gear box manufacturers which was earlier restricted to Europe.

The MHE Division of the Company is amongst the pioneers to introduce the concept of sophisticated Bulk Material Handling Equipment in India, under his leadership which has set a high watermark in the industry. His guidance led the Elecon EPC Projects Ltd. (Now MHE Division) to become the first Indian Company to sell over 100 Stacker-Reclaimer (combined machine) throughout the globe and by selling 225 Wagon Tippler, which enabled the Company to become the 3rd Company in the world to attain this feat.

He is actively involved in the decision making for various technical and commercial matters including the marketing for both Gear and MHE Division. Elecon has become the supplier of choice for various sectors like Thermal Power Stations, Fertilizer Plants, Steel Plants, Coal Handling Plants, Lignite and Iron Ore Mines, Cement Industries, Chemicals, Plastic Extrusion, Rubber and Sugar Industry. His ability to catch the wave of the market and his visionary approach led Elecon to make its first international acquisition by acquiring Benzlers-Radicon Group from the David Brown Gear Systems.

His knack for opportunity and his business acumen has seen Elecon grow steeply. Shri Prayasvin B. Patel also holds top positions in many other Companies. He is Director in Companies like Eimco Elecon (India) Ltd., Power Build Pvt. Ltd., Prayas Engineering Ltd., Emtici Engineering Co. Ltd., Elecon Information Technology Ltd., Elecon Peripherals Ltd., Eimco Elecon Electricals Ltd., Elecon Hydraulics Pvt. Ltd., Madhubhan Resort and Spa (a resort) amongst other small organizations. He also handles the responsibilities of Charotar Vidya Mandal (CVM) as the President.

He is also actively involved in the development of society through various Corporate Social Responsibility (CSR) initiatives. He was also instrumental behind the setting up of EL CARE, a social service wing of Elecon Group of Companies, which believes in reaching out to the society by going out and researching for causes that need attention rather than supporting fixed causes.

The Board of Directors felt that it is in the interest of the Company to continue to avail services of Shri Prayasvin B. Patel as a Chairman & Managing Director.

The Nomination & Remuneration Committee at its meeting held on May 19, 2017 recommended and the Board at its meeting held on May 19, 2017 has unanimously re-appointed him as a Chairman & Managing Director, subject to the approval of the members in the General Meeting and Central Government, if required, for a further period of three years with effect from July 1, 2017 on the terms and conditions set out in the draft agreement to be entered into by the Company with him, copy of which is available for inspection to the Members at the Registered Office of the Company on any working day except Saturday, Sunday and public holidays, between 10.00 a.m. to 1.00 p.m. till the date of Annual General Meeting. The brief particulars of his remuneration are as mentioned herein below:

1. The Managing Director shall be subject to the superintendence, control and direction of the Board of Directors and he will be entrusted with substantial powers of management and will also perform such other duties as may be entrusted to him, from time to time.
2. Period of Appointment: Three years with effect from July 1, 2017.
3. Remuneration payable:
 - (a) Salary : ₹ 27,50,000/- (Rupees Twenty Seven Lakhs Fifty Thousands only) per month with effect from July 1, 2017 plus incentive upto 20% linked to the performance of the Company as may be decided by the Board of Directors on annual basis.



(b) i. Perquisites and allowances :

In addition to salary, the Managing Director shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof, House Maintenance Allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, reimbursement of actual expenditure on medical treatment for self and family in India or overseas including traveling expenses for the purpose, reimbursement of expenditure incurred on travel & stay abroad including that of accompanying person, club fees, leave travel concession for self and family, medical insurance and such other perquisites and allowances in accordance with Rules of the Company, as may be determined by the Board of Directors, subject to the overall ceiling of remuneration stipulated in Section 197 and Schedule V of the Companies Act, 2013.

- ii. Contribution to Provident Fund will be made to the extent, this either singly or put together are not taxable under the Income-Tax Act, 1961.
- iii. Gratuity will be payable as per the rules of the Company applicable from time to time.
- iv. Encashment of leave at the end of the tenure.
- v. Superannuation upto ₹ 100,000/- p.a.
- vi. Two Cars for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

For the purpose of calculating the above ceiling the perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable.

(c) Commission :

In addition to the salary and perquisites and allowances payable, commission as may be decided by the Board of Directors at the end of each Financial Year calculated with reference to the net profits of the Company in a particular Financial Year, subject to the overall ceiling stipulated in Section 197 and Schedule V of the Companies Act, 2013.

(d) Minimum Remuneration :

In the event of loss or inadequacy of profits in any Financial Year during the currency of the tenure, the Managing Director will be paid minimum remuneration of ₹ 27,50,000/- (Rupees Twenty Seven Lakhs Fifty Thousands only) per month and all the perquisites and/or allowances stated in the Agreement subject to the compliance with the provisions of Schedule V of the Companies Act, 2013 or any amendment made hereinafter in this regard.

Apart from the above, the agreement contains further terms and conditions, the powers and duties, reimbursement of entertainment, travelling and all other expenses incurred by Shri Prayasvin B. Patel for the business of the Company, provision for earlier determination of the appointment by either party by giving three months notice in writing to the other party etc.

The re-appointment of Shri Prayasvin B. Patel on the terms & conditions set out in the aforesaid draft agreement is subject to the approval of the Company in General Meeting and Central Government, if required.

The disclosure as required under clause (B) of Section II of Part-II of Schedule V of the Companies Act, 2013 is given by separate Annexure.

The Board of Directors recommends passing of the special resolution set out at item No. 5 of the Notice convening the Meeting.

Shri Prayasvin B. Patel is deemed to be concerned or interested in the said resolution. Shri Pradip M. Patel relative of Shri Prayasvin B. Patel is also considered as interested Director in this resolution. None of the other Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested in the said resolution.

Item No. 6

Shri Prashant C. Amin, the Executive Director is associated with the Company since year 2008. Lastly, the members at the 54th Annual General Meeting of the Company held on August 4, 2014 re-appointed Shri Prashant C. Amin for a period of 3 years with effect from June 1, 2014 on the terms and conditions as approved by them. His appointment and terms of remuneration were also approved by the Govt. of India through Ministry of Corporate Affairs vide its permission dated December 16, 2014. The present term of his appointment will expire on May 31, 2017.

Shri Prashant C. Amin earned his Master's Degree in Engineering and Management from the Birla Institute of Technology & Science, Pilani, India in 1978, and then earned his Master's degree in Finance from the University of Wisconsin, USA in 1980. On completion of his Masters, he spent 3 years at Sargent Industries, where he proved his financial acumen in manufacturing, planning and costing. He founded and successfully managed manufacturing business in the United States of America for 18 years. He was actively involved in consulting with the Small Business Development Centre of the United States Government. He served in the capacity of visiting faculty in the School of Business and Economics at the California State University, Fullerton, USA.

Shri Prashant C. Amin who has been driving Company to new heights of growth and development through his immense experience, business acumen and zeal. His result-driven approach has led the Company to achieve its major milestones and turnarounds with significant increase in turnover and market expansion to new geographies.

He has more than 30 years of experience in founding various new ventures in different geographies and operating enterprises with strong leadership, strategy building and operational direction.

A true entrepreneur and a visionary, Shri Prashant C. Amin has taken the responsibility of driving Company to new heights of growth and social responsibility since joining as Group Director in October, 2006.

His responsibilities include:

- Over all supervision and management of various departments like Project, Marketing, Legal, Finance, Production and execution, etc.
- Strategic planning for business development, expansion and modernization.
- Supervision of business management and core functions of JVs, Subsidiaries, Group and Associate Companies.

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 is also serving CII Gujarat State Council as its Chairman for the year 2017.

The Board of Directors felt that it is in the interest of the Company to continue to avail services of Shri Prashant C. Amin as an Executive Director.

The Nomination & Remuneration Committee at its meeting held on May 19, 2017 recommended and the Board at its meeting held on May 19, 2017, has unanimously re-appointed Shri Prashant C. Amin as an Executive Director for a period of three years with effect from June 1, 2017 subject to the approval of the members in the General Meeting and Central Government, if required.

The brief particulars of his remuneration are as mentioned herein below:

1. The Executive Director shall be subject to the superintendence, control and direction of the Board of Directors and he will be entrusted with substantial powers of management and will also perform such other duties as may be entrusted to him, from time to time.
2. Period of Appointment : Three years with effect from June 1, 2017.
3. Remuneration payable:
 - (a) Salary : ₹ 16,50,000/- (Rupees Sixteen Lakhs Fifty Thousands only) Per Month with effect from June 1, 2017 plus incentive upto 20% linked to the performance of the Company as may be decided by the Board of Directors on annual basis.
Leave Travel Allowance : As per Income Tax Rules, not exceeding ₹ 1,20,000 p.a. for self and family.
Medical Allowance : ₹ 15,000 p.a. for Medical Allowance
 - (b) i. Perquisites and Allowances :
In addition to salary, the Executive Director shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof @ ₹ 5,00,000 p.a. or such other amount as may be mutually agreed by both the parties, reimbursement of actual expenditure on medical treatment for major illness for self and family with the approval of the Board of Directors, Club fees, Leave Travel concession for self and family and such other perquisites and allowances like security at residence, assistance in general maintenance at the residence and garden etc. in accordance with Rules of the Company, as may be determined by the Board of Directors, subject to the overall ceiling of remuneration stipulated in Section 197 and Schedule V of the Companies Act, 2013.
 - ii. Contribution to Provident Fund will be made as per the Company's rules.
 - iii. Gratuity will be payable as per the rules of the Company applicable from time to time.
 - iv. Encashment of leave at the end of the tenure.
 - v. Superannuation upto ₹ 100,000/- p.a.
 - vi. Two Cars for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.
For the purpose of calculating the above ceiling the perquisites shall be evaluated as per the Income-tax Rules, wherever applicable.
 - (c) Commission :
In addition to the salary and perquisites and allowances payable, commission, if any, as may be decided by the Board



of Directors at the end of each Financial Year calculated with reference to the net profits of the Company in a particular Financial Year, subject to the overall ceiling stipulated in Section 197 and Schedule V of the Companies Act, 2013.

(d) Minimum Remuneration :

In the event of loss or inadequacy of profits in any Financial Year during the currency of the tenure, the Executive Director will be paid minimum remuneration ₹ 16,50,000/- (Rupees Sixteen Lakhs Fifty Thousands only) per month and all the perquisites and/or allowances stated in the draft Agreement subject to the compliance with the provisions of Schedule V of the Companies Act, 2013 or any amendment made hereinafter in this regard.

Apart from the above, the agreement contains further terms and conditions, the powers and duties, reimbursement of entertainment, travelling and all other expenses incurred by Shri Prashant C. Amin for the business of the Company, provision for earlier determination of the appointment by either party by giving three months notice in writing to the other party etc.

The re-appointment of Shri Prashant C. Amin on the terms & conditions set out in the aforesaid draft agreement is subject to the approval of the Company in General Meeting and Central Government, if required.

The disclosure as required under clause (B) of Section II of Part-II of Schedule V of the Companies Act, 2013 is given by separate Annexure.

The draft agreement between the Company and Shri Prashant C. Amin is available for inspection by the Members of the Company at its Registered Office between 10.00 a.m. and 1.00 p.m. on any working day of the Company except Saturday, Sunday and public holidays, till the date of Annual General Meeting.

The Board of Directors recommends passing of the special resolution set out at item No. 6 of the Notice convening the Meeting.

Shri Prashant C. Amin is deemed to be concerned or interested in the said resolution. None of the other Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested in the said resolution.

ITEM NO. 7

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 March 31, 2018 as per the following details:

Sr. No.	Name of Cost Auditor	Industry	Audit Fees (₹)
1.	Y. S. Thakar & Co.	Engineering	75,000/- 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 members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested in the said resolution.

By order of Board of Directors

Registered office:

Anand-Sojitra Road
Vallabh Vidyanagar - 388 120.
Gujarat.
Date:- May 19, 2017

Parthiv Parikh
Company Secretary

Annexure

Disclosure as required under clause (B) of Section II of Part-II of Schedule V of the Companies Act, 2013 is given hereunder:

I. General Information

Name of Industry	Engineering Industry manufacturing Gear & Material Handling Equipments.		
Date or expected date of commercial production	The Company was incorporated on January 11, 1960 and commenced commercial production thereafter.		
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
Financial Performance	Particulars	2016-17 (₹ in Lakhs)	2015-16 (₹ in Lakhs)
	Turnover including other Income	1,00,433.39	1,09,598.51
	EBIDTA	16,365.30	17,361.59
	Depreciation	4,813.76	5,567.22
	Finance Cost	6,304.87	6,243.73
	Profit Before Tax	5,246.67	5,550.64
	Tax	3,140.45	1,899.54
	Profit After Tax	2,106.22	3,651.10
	Paid up Capital	2,244.00	2,178.72
Reserves & Surplus	19,415.97	18,827.02	
Foreign Investments or collaboration, if any	Not Applicable		

II. Information about the appointee:

Particulars	Shri Prayasvin B. Patel	Shri Prashant C. Amin
Background details	Given in the body of this statement.	Given in the body of this statement.
Past Remuneration	₹ 341.34 Lakhs (as per Central Government's approval)	₹ 198.65 Lakhs (as per Central Government's approval)
Recognition and Awards	-	-
Job Profile and his suitability	Given in the body of this statement.	Given in the body of this statement.
Remuneration proposed	Since the same have been already explained in detail in the statement, the same are not repeated.	Since the same have been already explained in detail in the statement, the same are not repeated.
Comparative remuneration profile with respect to industry, size of company, profile of the position and person.	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with the Industry standards and Board level positions held in similar sized and similarly positioned businesses.	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with the Industry standards and Board level positions held in similar sized and similarly positioned businesses.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Apart from receiving managerial remuneration and holding 25,09,932 Equity Shares, he does not have any other pecuniary relationship with the Company.	Apart from receiving managerial remuneration and holding 37,675 Equity Shares, he does not have any other pecuniary relationship with the Company.



III. Other Information

1. Reasons of loss or inadequate profits:

The financial performance of the Company in the fiscal remained soft as it witnessed challenges on multiple counts. At the macro level, the economic activities in the country remained low and it resulted in the slow pick up of orders and poor execution of the operations at the client level. The Company's customers also got affected by Demonetization event which led to some disruption of business. At the micro level, the integration process, which is a significant step forward for the Company's growth, also added momentary interruption to the normalcy. With the major events already executed, the Company now aims to consolidate its business and expand its operations on the core strengths. It expects the activity at the macro level to smoothen soon and thus anticipates a strong recovery in its business in the near future.

2. Steps taken or proposed to be taken for improvement:

The Company reorganised its MHE business and merged it with the industrial gear business for critical scale, size and economies. This reason apart, the Company also strategized its material handling business which over a period was not performing to the level of expectations. The Company decided to pursue more product based opportunities rather than doing project business wherein it witnessed an inefficient capital allocation.

3. Expected increase in productivity and profits in measurable terms:

Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in the current year.

IV. Disclosures:

1. The details of remuneration package of all the managerial personnel are given in the respective resolutions.
2. Additional information is given in Corporate Governance report.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015

Name of Director	Shri Pradip M. Patel	Shri Prayasvin B. Patel	Shri Prashant C. Amin
Date of Birth	05-11-1947	03-04-1958	09-08-1956
Date of Appointment	14-11-1977	01-07-1983	29-07-2008
DIN	00012138	00037394	01056652
Qualifications	M.B.A. (U.S.A)	B.E. (Mech.) M.B.A (U.S.A)	M.B.A. (Finance) (U.S.A.) & Master Degree in Engineering & Management
Brief Resume & Expertise in specific Functional areas	<p>Associated with the Bearing Industry for over three decades.</p> <p>Joined ABC Bearing Ltd. on September 7, 1973.</p> <p>Director in ABC Bearings Ltd since August 1, 1976.</p> <p>Managing Director of ABC Bearings Ltd. since August 1, 1981.</p>	<p>Shri Prayasvin B. Patel has 41 years of experience in Engineering industry. He joined the organization as the Joint Managing Director in the year 1983. He became Managing Director in 1993, and in the year 2006 took charge of the overall responsibilities of Elecon Group of Industries as the Chairman and Managing Director. Today, he is a Group Chairman which has a turnover of approximately ₹ 2000 Crores.</p> <p>He is actively involved in the decision making for various technical and commercial matters including the marketing for both Gear and MHE Division. Elecon has become the supplier of choice for various sectors like Thermal Power Stations, Fertilizer Plants, Steel Plants, Coal Handling Plants, Lignite and Iron Ore Mines, Cement Industries, Chemicals, Plastic Extrusion, Rubber and Sugar Industry. His ability to catch the wave of the market and his visionary approach led Elecon to make its first international acquisition by acquiring Benzlers-Radicon Group from the David Brown Gear Systems.</p>	<p>Shri Prashant C. Amin has more than 30 years of experience in founding various new ventures in different geographies and operating enterprises with strong leadership, strategy building and operational direction.</p> <p>A true entrepreneur and a visionary, he has taken the responsibility of driving the Company to new heights of growth and social responsibility since joined as Group Director in October, 2006.</p> <p>He is actively involved in the local business developments as trustee at the Vithal Udyog Nagar Industries Association and is a Board Member of the Sardar Patel Energy Research Institute, the Charotar Vidya Mandal and Charotar Arogya Mandal. He is also serving CII Gujarat State Council as its Chairman for the year 2017.</p>
Other Listed Companies in which Directorship held as on March 31, 2017	- ABC Bearings Limited - Eimco Elecon (I) Limited	- Eimco Elecon (I) Limited	- Eimco Elecon (India) Limited
Chairman/Membership of Audit Committee and Stakeholders' Relationship Committees in other Listed Companies as on March 31, 2017	ABC Bearings Limited -Stakeholders' Relationship Committee - Member Eimco Elecon (India) Limited -Audit Committee - Member -Stakeholders' Relationship Committee – Member	-	Eimco Elecon (India) Limited -Stakeholders' Relationship Committee – Chairman
No. of Shares held	43,161	25,09,932	37,675
Relationship with any Director of the Company	Sister's Husband of Shri Prayasvin B. Patel, Chairman & Managing Director	Wife's Brother of Shri Pradip M. Patel, Director	-



ELECON ENGINEERING COMPANY LIMITED

CIN : L29100GJ1960PLC001082

Anand-Sojitra Road,
Vallabh Vidyanagar – 388 120.
Tal. & Dist. Anand, Gujarat.
Tel No. (02692) 227109, 230166
Fax No. (02692) 227484, 227020
Website : www.elecon.com

Dear Shareholder,

RE : Electronic Credit of Dividend

The Reserve Bank of India has introduced National Electronic Clearing Service (NECS) in banking system to bring in further efficiency and uniformity in electronic credit. NECS has wider coverage than ECS and has no limitations of location in India. NECS ensures quick credit and no rejections. NECS is operational for banks / bank branches leveraging on Core Banking System (CBS), which provide more than ten digit bank account number to its customers.

As per our records, there is no mandate registered either with us or with your DP. To take advantage of the NECS facility and to enable us to route all your future dividend payments electronically, please return the NECS mandate form, given overleaf.

ADVANTAGES OF REGISTERING NECS MANDATE

- No limitations of location in India.
- Quick remittance of dividend.
- Avoid loss of dividend warrants in Postal transit.
- Avoid fraudulent encashment of dividend.
- Avoid revalidation of unencashed dividend warrants.
- Avoid transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF).

PLEASE HURRY UP & FILL IN THE FORM OVERLEAF AND ENSURE ELECTRONIC CREDIT.

Kindly return the completed mandate form given overleaf.

Best Regards,
For, Elecon Engineering Company Limited

Parthiv Parikh
Company Secretary

NOTE : For shares held in physical form, please submit this form to our Registrars and Share Transfer Agents viz., M/s. Link Intime India Pvt. Ltd. at the address mentioned overleaf and for shares held in demat form, please submit the form to your Depository Participant (DP).

NECS MANDATE FORM

PLEASE FILL UP THIS FORM AND ARRANGE TO SEND IT TO :

The following address if shares are held in physical form

OR To your DP if shares are held in demat form

To,
 M/s. Link Intime India Pvt. Ltd.
 B-102 & 103, Shangrila Complex,
 First Floor, Opp. HDFC Bank
 Near Radhakrishna Char Rasta,
 Akota, Vadodara - 390 020.

- 1. Name of 1st Registered holder (in Block Letters) :
- 2. Folio No. / DPID & Client ID No. :
- 3. Name of the Bank :
- 4. Name of the Branch :
- 5. Account Number (As appearing on your Cheque Book) :

6. Account Type (Saving Bank A/c. Current A/c. or Cash Credit) with code :

S.B.	Current	Cash Credit

7. 9-Digit MICR Code Number of the Bank : & Branch appearing on the MICR cheque issued by the Bank.

--	--	--	--	--	--	--	--	--	--

(Please attach a photocopy of a cheque or cancelled cheque for verifying the accuracy of the MICR code Number)

8. *11-Digit IFSC Code :
 (Optional - Can be obtained from your banker)

--	--	--	--	--	--	--	--	--	--	--

Signature of the First Registered Shareholder
 (As per the specimen signature with the Company / DP)

Name : _____

Address : _____

Phone No. : _____

Date : _____

Email Id : _____

* The Company, its Registrars and Bankers will make best endeavors to remit dividend through NECS. However, for non CBS branches of the banks, the IFSC Code will be utilized to remit the dividend either by National Electronic Funds Transfer (NEFT) or Real Time Gross Settlement (RTGS). The branch where you operate your bank account will assist you to provide the IFSC, a 11-digit code to enable the remittance through NEFT or RTGS.

Name of the Company : ELECON ENGINEERING COMPANY LIMITED
 CIN : L29100GJ1960PLC001082
 Registered Office : Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Anand, Gujarat.

ATTENDANCE SLIP

57th Annual General Meeting
 on Thursday, 3rd August, 2017
 at 2.00 p.m. at Audio Visual Hall,
 Eimco Elecon Building,
 Anand-Sojitra Road,
 Vallabh Vidyanagar - 388120.
 Gujarat.

Folio No./Client ID & DP ID

- * A member/proxy wishing to attend the meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
- * If you intend to appoint a proxy, please complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.
- * Please bring copy of the Annual Report to the Meeting.

I record my presence at the
 57th Annual General Meeting

Name of Proxy in BLOCK LETTERS
 (IF the proxy attends instead of the Member)

Signature of Member/Proxy

PROXY FORM

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

CIN : L29100GJ1960PLC001082
 Name of the Company : ELECON ENGINEERING COMPANY LIMITED
 Registered Office : Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Anand, Gujarat.

Name of the members (s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

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

1. Name :
 Address :
 Email ID : Signature :..... or falling him
2. Name :
 Address :
 Email ID : Signature :..... or falling him
3. Name :
 Address :
 Email ID : Signature :..... or falling him

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 57th Annual General Meeting of the Company, to be held on Thursday, the August 3, 2017 at 2.00 p.m. at Audio Visual Hall, Eimco Elecon Building, Anand-Sojitra Road, Vallabh Vidyanagar - 388120, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

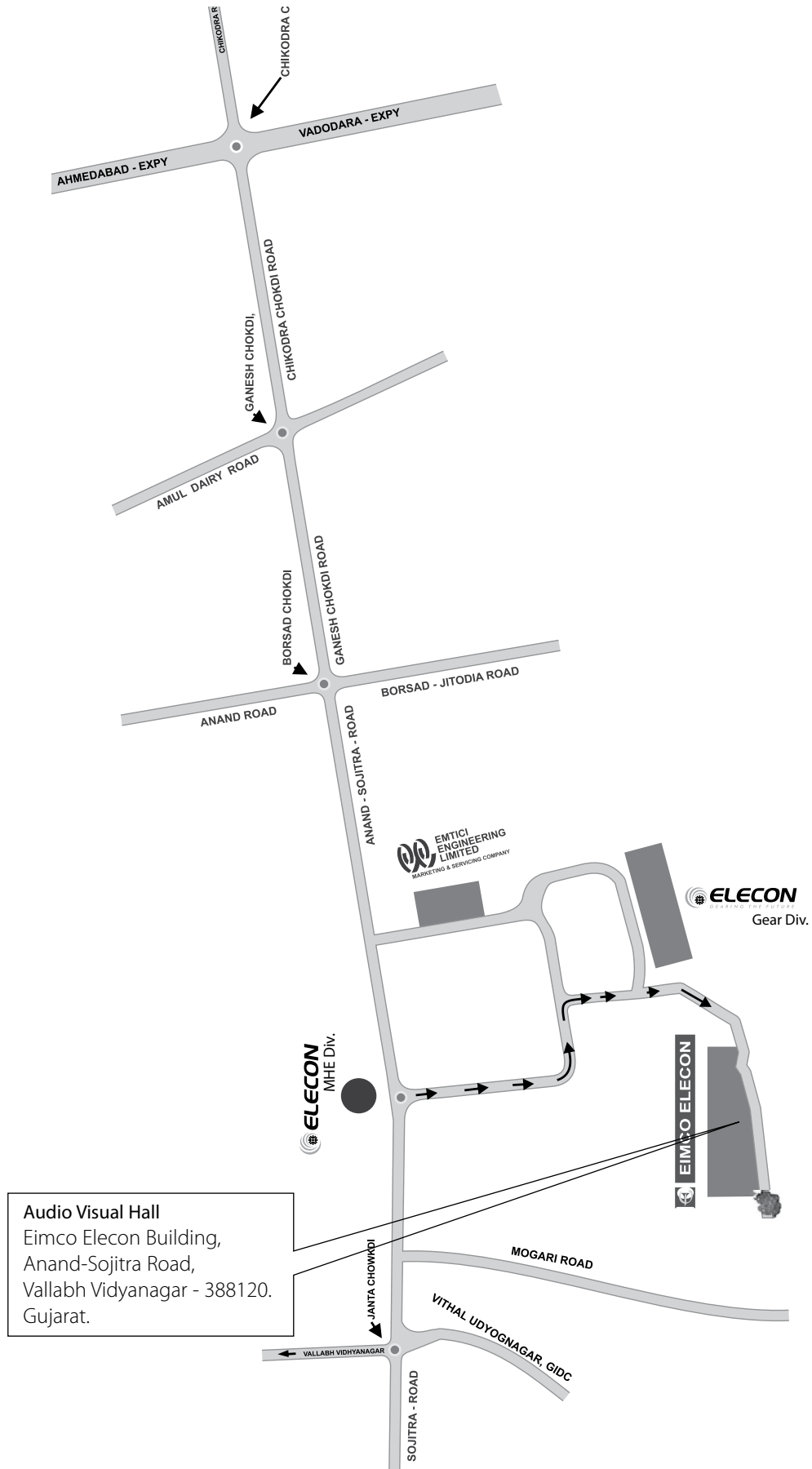
- | |
|---|
| <ol style="list-style-type: none"> 1. Adoption of Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the financial year ended on March 31, 2017 and the Reports of the Board of Directors ("the Board") and Auditors thereon. 2. Declaration of Dividend for the financial year ended on March 31, 2017. 3. Appointment of a Director in place of Shri Pradip M. Patel, who retires by rotation and being eligible, offers himself for re-appointment. 4. To ratify appointment of M/s. B S R & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company and to authorise the Audit Committee/Board of Directors to fix their remuneration. 5. Re-appointment of Shri Prayasvin B. Patel as Chairman & Managing Director of the Company and to fix their remuneration. 6. Re-appointment of Shri Prashant C. Amin as Executive Director of the Company and to fix their remuneration. 7. To ratify remuneration to M/s. Y. S. Thakar & Co. as Cost Accountants of the Company for financial year 2017-18. |
|---|

Signed this _____ day of _____ 2017
 Signature of shareholder(s) : _____
 Signature of Proxy holder(s) : _____

Affix
 Revenue
 Stamp

- Notes :**
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 57th Annual General Meeting.

Route map to the venue of the AGM





ELECON ENGINEERING COMPANY LIMITED

CIN : L29100GJ1960PLC001082

Anand-Sojitra Road, Vallabh Vidyanagar – 388 120 Tal. & Dist. Anand, Gujarat.
Tel No. (02692) 227109, 230166, Fax No. (02692) 227484, Website : www.elecon.com

Dear Shareholder,

Sub: Green Initiative

Ministry of Corporate Affairs ("MCA") has launched a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. MCA has issued circular nos. 17/2011 dt. 21-04-2011 & 18/2011 dt. 29-04-2011 stating that the service of a notice / document by a Company to its shareholders can now be made through electronic mode. In view of the above, your Company proposes to henceforth send Annual Report (Audited Financial Statements, Directors' Report, Auditors' Report, etc.) and all communications/documents such as the Notice of the Annual General Meeting, to the shareholders in Electronic Form to the email address registered with their Depository Participants.

In order to join the initiative and to receive the documents in electronic form, kindly comply with the following:

For Shareholders holding shares in Demat Form

In case you desire to receive the aforesaid documents in electronic mode, kindly update your e-mail ID in the Demat account by contacting your Depository Participant. E-mail updated in the demat account would be used to send documents through electronic mode. If you have already registered your e-mail ID earlier, please ignore this request.

TO BE SENT DIRECTLY TO DEPOSITORY PARTICIPANT

(i.e. Address where you have opened your Demat Account)

DP ID / Client ID :

Name :

E-mail ID :

Signature : _____

PAN :

For Shareholders holding shares in Physical form

In case you desire to receive the aforesaid documents in electronic mode in lieu of Physical mode, kindly update your e-mail ID with our Registrar and Share Transfer Agent, Link Intime India Private Limited by mailing your E-mail ID with the following details to vadodara@linkintime.co.in

TO BE SENT TO US BY USING BUSINESS REPLY ENVELOPE AS PRINTED ON REVERSE

Folio No. :

Name :

E-mail ID :

Signature : _____ PAN :

For registering your e-mail address with us, you are requested to forward us this page duly filed up along with self attested copy of your PAN Card in attached pre-paid Business Reply Envelope. You are not required to affix/pay any postage expense for dispatch of the said envelope to us.

Members who have not yet dematerialized their shares are requested to get their shares dematerialized at the earliest.

You may also send your consent in writing to our Registrar and Share Transfer Agents to the following address:

Link Intime India Private Ltd.,

Unit: **Elecon Engineering Company Ltd.,**

B- 102 and 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta,
Akota, Vadodara 390 020.

We at 'Elecon' appreciate the "Green Initiative" taken by MCA and trust you would help implementing the e-governance initiatives of the Government.

Thanking you,

Yours faithfully,

For Elecon Engineering Company Limited

Parthiv Parikh

Company Secretary



BUSINESS REPLY ENVELOPE

**POSTAGE
WILL BE
PAID BY
ADDRESSEE**

BR-PERMIT NO. L2/And./BRP-7
V.V.NAGAR. P.O.

No
Postage
necessary
if posted
in India

To,
Company Secretary
Elecon Engineering Company Ltd.
Anand-Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat.

FOLD