
NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the **21st Annual General Meeting** of the Members of **Gravita India Limited** will be held on **Monday, the 29th day of July 2013 at 11.30 A.M.** at "Saurabh Farms", Chittora Road, Harsulia Mod, Diggi Malpura, Tehsil-Phagi, Jaipur-303904 (Rajasthan) to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Final Dividend on Equity Shares for the Financial Year ended 31st March, 2013.
3. To appoint a Director in place of Mr. Dinesh Kumar Govil, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajeev Surana, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"**RESOLVED THAT** subject to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Deloitte Haskins & Sells, Chartered Accountants, having Firm Registration No. 015125N be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting in place of the retiring Auditors, M/s Rajvanshi & Associates , Chartered Accountants who have opted not to be re-appointed , to audit the accounts of the Company for the Financial Year 2013-14 and in this regard the Board of Directors/ Audit Committee of Directors be and are hereby authorized to fix their remuneration plus travelling and out of pocket expenses incurred by them in connection with Statutory Audit and /or continuous audit and also such other remuneration, as may be decided to be paid by the Board of Directors/ Audit Committee of Directors, for performing duties other than those referred to herein above.

SPECIAL BUSINESS

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 198, 269, 309, 310, and 311 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, and as per the recommendation of Remuneration Committee, the consent of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Rajat Agrawal who was re-appointed by the Board of Directors as Managing Director of the Company for a period of three years w.e.f. 26th September 2012 and to the remuneration payable to Mr Agrawal as recommended by the Remuneration Committee and Board of Directors at their respective meetings held on 24th June 2013 with effect from 1st July 2013 as per details mentioned below:

I. SALARY AND PERQUISITES:

Basic - ` 3,50,000/- per month (Three Lacs Fifty Thousand only)

HRA and Perquisites & other allowances - ` 1,50,000/- per month (One Lac Fifty Thousand only)

Annual Gross Remuneration shall comprise of Salary, HRA, allowances & perquisites and retiral benefits not exceeding ` 60 Lacs.

II. COMMISSION

In addition to the Salary, Perquisites, Allowances and Benefits as above, Managing Director shall be entitled to receive a commission upto 2% per annum of the net profits of the company computed as per the provisions of Section 349 and 350 of the Companies Act, 1956 for the respective financial years falling during his tenure as Managing Director.

The Managing Director shall be entitled to the facilities as are allowable to the employees of Senior Management Cadre of the Company and reimbursement of entertainment and other expenses actually and properly incurred by him in connection with the business of the Company.

Gratuity payable as per the Rules of the Company but not exceeding 15 days salary for each completed year of service and encashment of leave at the end of the tenure will not be included in the computation of Salary to the extent the same are not taxable under the Income-Tax Act, 1961.

The aggregate of the Salary and Perquisites as above shall always be subject to the overall ceiling laid down in Section 198 and 309 of the Companies Act, 1956.

"RESOLVED FURTHER THAT where in any financial year during the currency of term of Managing Director the Company has no profits or its profits are inadequate, the Company shall pay to the Managing Director, remuneration by way of Salary and Perquisites as specified above as minimum remuneration, subject however to the provisions of the Companies Act, 1956 and such approvals as may be required."

"RESOLVED FURTHER THAT Shri Rajeev Surana, Whole-time Director and Smt Leena Jain, Company Secretary of the Company be and are hereby severally authorized to comply with all necessary formalities in this regard."

7. 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 198, 269, 309, 310, and 311 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, and as per the recommendation of Remuneration Committee, the consent of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Rajeev Surana who was re-appointed by the Board of Directors as Whole-time Director of the Company liable to retire by rotation for a period of three years w.e.f. 26th September 2012 and to the remuneration payable to Mr Surana as recommended by Remuneration Committee and Board of Directors of the Company at their respective meetings held on 24th June 2013 with effect from 1st July 2013 as per details mentioned below:

SALARY AND PERQUISITES:

Basic - ` 1,75,000/- per month (One Lacs Seventy Five Thousand only)

HRA and Perquisites & other allowances - ` 75,000/- per month (Seventy Five Thousand only)

Annual Gross Remuneration shall comprise of Salary, HRA, allowances & perquisites and retiral benefits not exceeding ` 30 Lacs.

The Whole Time Director shall be entitled to the facilities as are allowable to the employees of Senior Management Cadre of the Company and reimbursement of entertainment and other expenses actually and properly incurred by him in connection with the business of the Company.

Gratuity payable as per the Rules of the Company but not exceeding 15 days salary for each completed year of service and encashment of leave at the end of the tenure will not be included in the computation of Salary to the extent the same are not taxable under the Income-Tax Act, 1961.

The aggregate of the Salary and Perquisites as above shall always be subject to the overall ceiling laid down in Section 198 and 309 of the Companies Act, 1956.

"RESOLVED FURTHER THAT where in any financial year during the currency of term of Whole-Time Director the Company has no profits or its profits are inadequate, the Company shall pay to the Whole-Time Director, remuneration by way of Salary and Perquisites as specified above as minimum remuneration, subject however to the provisions of the Companies Act, 1956 and such approvals as may be required."

"RESOLVED FURTHER THAT Shri Rajat Agrawal, Managing Director and Smt Leena Jain, Company Secretary of the Company be and are hereby severally authorized to comply with all necessary formalities in this regard."

By Order of the Board

Date: 24th June 2013
Place: Jaipur

Sd/-
(Leena Jain)
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE DULY STAMPED, FILLED AND SIGNED INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. An explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special business is annexed hereto.
3. Members and Proxies attending the Meeting are requested to bring their attendance slip duly filled along with their copy of Annual Report to the Meeting.
4. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 24th July 2013 to Monday, 29th July 2013 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares.
6. Payment of Dividend as recommended by the Directors, if approved at the Meeting, will be made to those members whose names are on the Company's Register of Members at the end of business hours of 23rd July 2013 and in respect of shares held in dematerialized form, the dividend will be paid to members whose names are furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited as Beneficial Owners as on that date.
7. Members are requested to note that Dividends and / or IPO Application Money not encashed or remaining unclaimed for a period of 7 (seven) Years from the date of transfer to the Company's Unpaid Dividend Account/ IPO Application Money shall be transferred to the Investor Education and Protection Fund established under Section 205C of the Companies Act, 1956.
8. The members who have not yet encashed their dividend warrants and / or application money in IPO for the below mentioned financial years, are requested to forward their claims to the Company's Registrar and Share transfer Agents (RTA). It may be noted that once the unclaimed dividend and / or unclaimed application money is transferred to the Investor Education and Protection Fund (IEPF) as above, no claim shall rest with the company in respect of such amount. The respective unclaimed dividend and IPO Application Money along with their due dates for transfer to IEPF are as under:

Financial Year Ended	Nature of Amount	Due date of transfer to IEPF
31st March 2011	IPO Application Money	12.11.2017
31st March 2011	Final Dividend	29.08.2018
31st March 2012	Interim Dividend	06.03.2019
31st March 2012	Final Dividend	15.09.2019
31st March 2013	Interim Dividend	27.09.2019
31st March 2013	Interim Dividend	04.03.2020

9. As per SEBI Circular Number CIR/MRD/DP/10/2013 dated 21.03.2013 it is mandatory for the shareholders to provide their bank details to necessitate the electronic transfer of dividend and other cash benefits to their respective accounts. Therefore, members are requested to provide/ update their bank details with respective Depository Participants so as to enable the Company/RTA to comply with the provisions of above said Circular issued by SEBI.
10. In case of joint holders attending the Meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
11. Please quote your Folio Number and Company's name in all correspondence with Karvy Computershare Pvt. Ltd., Plot No 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad- 500081, Registrars and Share Transfer Agents of the Company.

12. Members having shares in physical form are requested to immediately intimate change of address, if any, to the Registrar and Share Transfer Agents quoting reference of the Registered Folio Number.
13. Section 109A of the Companies Act, 1956 provides for **Nomination** by the shareholders of the Company in the prescribed Form No. 2B which is available on the website of the Karvy Computershare Private Limited www.karisma.karvy.com. Interested Members may write to the Registrars and Share Transfer Agents for the prescribed form.
14. The Certificate, from M/s Rajvanshi & Associates, Chartered Accountants, the Statutory Auditors of the Company for the financial year 2012-13, certifying that the Company's Stock option Scheme viz 'Gravita Employees Stock Option Plan 2011' is being implemented in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended, and in accordance with the resolution passed by shareholders at the Annual General Meeting held on 27.07.2011 shall be available for inspection by the members at the AGM.
15. Shareholders, intending to require information about the Financial Accounts to be explained at the meeting, are requested to inform the Company at least a week in advance of their intention to do so, so that the necessary information may be provided at the meeting if the Chairman permits such information to be furnished.
16. Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors who are proposed to be re-appointed at the ensuing Annual General Meeting under Item No. 3, 4, 6 and 7 (4th and 7th in respect of same Director) of the Notice is as under:

Brief Profile of the Director and Nature of his Expertise in functional areas	Directorships/Committee memberships in other public companies	Shareholding in Gravita India Limited
<p>Mr. Dinesh Kumar Govil, aged 65 years is a professional Banker having 36 years of rich and varied exposure in field of Banking Industry. He is a qualified Bachelor of Engineering and a PMA from "Indian Institute of Management" Ahmadabad, with acumen to understand functioning of business. He is Chairman of Audit Committee of Board of Directors of the Company. He has served BOB Housing Finance Ltd., Jaipur in the capacity of Managing Director. He has been on the Board of various Gramin Banks sponsored by Bank of Baroda for 5 years. He is also having exposure of International Banking environment during his tenure of 4 years as Senior Manager/Chief Manager in U.A.E.</p>	<p>Directorships: Gravita Exim Limited Viva Home Finance Limited</p> <p>Committee Membership: Gravita Exim Limited Viva Home Finance Limited</p>	NIL

Brief Profile of the Director and Nature of his Expertise in functional areas	Directorships/Committee memberships in other public companies	Shareholding in Gravita India Limited
<p>Mr. Rajat Agrawal, the main Promoter and Founder Director, aged about 46 years is a first Generation entrepreneur and having wide experience of around 20 years in Industrial Management in India and Abroad. He is B.E. (Mechanical), and is a well-known personality for his contributions in Lead Industry. His valuable support in Company is commendable. The strategic decision making, aggressive implementation of plans and innate Leadership abilities of Mr. Agrawal have contributed significantly in rapid growth of Gravita Group.</p>	<p>Directorships: Gravita Exim Limited Gravita Energy Limited Saurabh Farms Limited</p> <p>Committee Membership: NIL</p>	24365475 Equity Shares (35.78% of total paid-up capital)

Brief Profile of the Director and Nature of his Expertise in functional areas	Directorships/Committee memberships in other public companies	Shareholding in Gravita India Limited
<p>Mr. Rajeev Surana, the other Promoter Director, aged about 44 years; a professional (BE-Mechanical) possesses excellent Technical & Management skills. He possesses excellent communication skills and proved himself to be phenomenal leader in all aspects. His grip on operations and experience of more than 19 years is valuable assets to the Gravita Group. He carries expertise in general and strategic management.</p>	<p>Directorships: Gravita Exim Limited Gravita Energy limited</p> <p>Committee Membership: Gravita Exim Limited</p>	<p>30000 Equity Shares (0.04% of total paid-up capital)</p>

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all the material facts relating of the Special Business mentioned in the accompanying Notice:

ITEM NO. 6

Mr Rajat Agrawal aged about 46 years is a Bachelor of Engineering from MNIT, Jaipur and carry rich experience of over 20 years in establishing and handling manufacturing operations. The last term of his office as Managing Director of the Company was upto 25th September 2012. During his tenure as Managing Director, he has been instrumental in the overall growth of the Company. Under his aggressive and able Leadership the company is on rapid growth path which is also evident from the outstanding growth of the company over the last couple of years.

The Board confidently feel that the Company should continue to avail the services of Mr Agrawal. Accordingly the Board of Directors at their meeting held on 6th August 2012 had reappointed Mr Rajat Agrawal as the Managing Director of the Company for a further period of 3 years with effect from 26th September 2012 subject to the approval of the members of the Company.

Considering the excellent performance of Mr Agrawal and as per the recommendation of Remuneration Committee and Board of Directors of the Company, at their respective meetings held on 24th June 2013, have recommended the remuneration as envisaged in the concerned resolution coupled with performance linked commission to Mr. Agrawal upto 2% of net profit of the company every year during his tenure in addition to the fixed monthly salary. The remuneration proposed to be paid to Mr Agrawal is within the limits of Section 198 and 309 read with Schedule XIII of the Companies Act, 1956 as amended and has been approved by Remuneration Committee.

Mr Agrawal is also Managing Director of Gravita Exim Limited a wholly owned subsidiary of the Company. However, he is not being paid any remuneration from Gravita Exim Limited.

The Directors, therefore, recommend passing of the relevant Special Resolution as mentioned at Item No 6 of the Notice.

None of the Directors, except Mr Rajat Agrawal and Dr Mahavir Prasad Agarwal are concerned or interested in this resolution.

ITEM NO. 7

Mr Rajeev Surana aged about 44 Years is a Bachelor of Engineering from MNIT, Jaipur and carries varied experience of over 19 years in handling overall operations of the entities. He is on the Board of Directors of the Company for last 8 Years. His last term of office as Whole-Time Director of the Company was upto 25th September 2012. During his tenure as Whole-Time Director he established various operational units of the company in India and looked after the overall operations of the said units. He was instrumental in acquiring and establishing the manufacturing units at Jammu & Kathua in the State of J&K. Looking to the varied experience and rich knowledge of Mr Surana the Management of the Company has assigned him further responsibilities for evaluating and acquiring /establishing further manufacturing units globally.

Accordingly the Board of Directors at their meeting held on 6th August 2012 have re-appointed Mr Rajeev Surana as Whole-Time Director of the Company for a further period of 3 years with effect from 26th September 2012 subject to the approval of members of the Company. The Remuneration Committee and Board of Directors of the Company at their respective meetings held on 24th June 2013 have recommended the remuneration as envisaged in the concerned resolution and the remuneration proposed to be paid to Mr Surana is within the limits of Section 198 and 309 read with Schedule XIII of the Companies Act, 1956 as amended and has been approved by Remuneration Committee.

The Directors, therefore, recommend passing of the relevant Special Resolution as mentioned at Item No 7 of the Notice.

None of the Directors, except Mr Rajeev Surana are concerned or interested in this resolution.

By Order of the Board

Date: 24th June 2013

Place: Jaipur

Sd/-
(Leena Jain)
Company Secretary