

NOTICE:

NOTICE is hereby given that the 24th Annual General Meeting of the members of Gemstone Investments Limited, for the FY 2017-18, will be held on Friday, September 28, 2018 at the registered office of the Company situated at 502-B, Padnavati Heights, 5th Floor, Shradhdhanand Road Ext, Vile Parle (E), Mumbai- 400057 at 9.30 a.m. to transact the following businesses:

Ordinary Businesses:

1. To Consider and Approve Financial Statements consisting of Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss for the year ended on that date, together with the Board's Report and Auditor's Report.
2. To appoint a director in place of **Mr. Tarun Brahmhatt (DIN: 07866769)** Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
3. **Appointment of Statutory Auditors:**

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

"RESOLVED THAT pursuant to section 139, section 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of M/s Tejas Nadkarni & Associates, Chartered Accountants, Mumbai (having firm Registration No. 135197W) as Statutory Auditors of the Company to hold office from the conclusion of the 23rd Annual General Meeting of the company till the conclusion of 27th Annual General Meeting to be held in 2021, on a remuneration as may be agreed upon by the Board of Directors and the Auditors, be and is hereby ratified.

RESOLVED FUTHER THAT the Board of Directors of the Company (including its committees thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution."

SPECIAL BUSINESSES:

4. **Increase remuneration to be paid to Ms. Dhara Brahmhatt:**

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

"RESOLVED THAT in supersession to the earlier resolution passed by the shareholders in this regard in the Annual General Meeting held on 29th September, 2015 and pursuant to the provisions of sections 196,197,198, 203 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to other requisite approvals, if any, consent of the members be and is hereby accorded to pay remuneration to Ms. Dhara Brahmhatt, Managing Director (DIN: 06433270), on such terms and conditions, in case of absence of profits or if the Company has inadequate profits, for a period commencing from April 01, 2018 to September 28, 2020 as stated below:

Salary:

Up to Rs. 75,000/- (Rupees Seventy Five Thousand only) per month, at the discretion of the Board.

(A) Perquisite / Allowances:

Other benefits, perquisites and allowances (viz. Housing, Utility Allowances, Insurance, Leave Travel Concession for self and family, Medical Reimbursement, club membership, Telephone, etc.)

The amount of such perquisites and allowances shall be as per Company's Policy and rules. However, the total amount of such salary and perquisites and allowances shall not exceed in aggregate of Rs. 1,00,000/- (Rupees One Lakh only) per month.

(B) Contribution to Provident Fund and superannuation fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

The items in part (C) shall not be included in the computation of limits for the remuneration or perquisites or allowances aforesaid.

RESOLVED FURTHER THAT in accordance with the provisions of sections 196, 197, 198, 203 and any other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013, in the event of adequacy of profits for any financial year during the tenure of Ms. Dhara Brahmhatt, Managing Director, consent of the members be and is hereby accorded to pay remuneration to her as under:

- The total remuneration payable should not exceed 5% of the net profits of the Company for the year and in case there are more than one Managing and /or Whole-time Director, then 10% of the net profits of the company for all of them taken together, as laid down under sections 197 and 198 of the Companies Act, 2013.
- Remuneration shall consist of any and/or all of the following:
 - a. Monthly salary, as may be decided by the Board;
 - b. Commission;
 - c. Perquisites /Allowances

RESOLVED FURTHER THAT subject to the provisions of the Companies Act, 2013 and the rules, circulars, orders and notifications issued there under (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and/or guidelines for managerial remuneration issued by the Government of India or other appropriate authority in that behalf as in force and as amended from time to time, the Board be and is hereby authorized to vary and alter the terms and conditions of the said appointment for increase or vary the remuneration to be paid and provided from time to time to Ms. Dhara Brahmhatt.

RESOLVED FURTHER THAT the Board of Directors 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 any Director or Officer to give effect to the resolution hereof."

5. Change of Designation of Mr. Manish Joshi from Non Executive Director to an Independent Director:

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

“RESOLVED THAT in continuance of earlier resolution(s) passed in this regard and pursuant to sections 149,150,152 and other applicable provisions of the Companies Act, 2013 (“the Act”)and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such other approval(s) or sanction(s) as may be required, consent of the members of the Company be and is hereby accorded for change of designation of Mr. Manish Joshi (DIN:07873456) from “Non-Executive Director” to “Non-Executive Independent Director” to hold office for a term of five consecutive years w.e.f. September 05, 2018.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things as may be deemed necessary to give effect to this resolution.”

**For and on behalf of the Board
For Gemstone Investments Limited**

**Sd/-
Manali Bhuva
Chairman**

Place: Mumbai
Date: September 05, 2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company or if holding more than 10% of aggregate shareholding, then such a proxy shall not act as proxy for any other shareholder.

2. The instrument of proxy, in order to be effective, must be lodged at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
3. Members/Proxies/Authorised Representatives are requested to bring their depository account number for identification at the time of Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 22nd day of September, 2018 to Friday, the 28th day of September, 2018 (Both days inclusive) for the purpose of the Annual General Meeting.
5. A Statement setting out the material facts in respect of resolutions set out under "Special Businesses" of the notice pursuant to section 102 (1) of the Companies Act, 2013 is annexed hereto.
6. Members may send their requests for change / updation of Address, email address, Nominations
 - i. For shares held in dematerialized form – to their respective Depository Participant
 - ii. For shares held in physical form – to the RTA, M/s Sharex Dymanic (India) Private Limited, Unit no. 1, Luthra Industrial Premises, Safed Pool, Andheri- Kurla Road, Andheri (E), Mumbai-400072.
7. Securities and Exchange Board of India (SEBI), has mandated the submission of Permanent Account number (PAN) by every participant in securities Market. Members holding shares in electronic form are requested to submit the PAN to their depository Participants with whom they are maintaining their demat account. Members holding shares in Physical form are requested to submit their PAN details to the RTA of the Company.
8. The shares of the Company are compulsorily traded in dematerialized form and therefore, the members are requested to dematerialize their shares to facilitate trading in the shares of the Company.
9. A brief resume of the Directors of the company seeking appointment/re-appointment at this Annual General Meeting, and their expertise in specific functional areas, is given as part of the Notice of the Annual General Meeting.
10. The relevant documents are available for inspection by the members at the Registered Office of the Company at any time during the working hours till the date of the meeting.
11. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with rules made thereunder, the Annual Report 2017-18, Notice of the 24th AGM and instructions for e-voting along with the Attendance Slip and Proxy Form are being sent by electronic mode only to those members whose email addresses are registered with the Company/Depository Participant(s) for communication unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2017-18 are being sent by the permitted mode.
12. The Annual report duly circulated to the members of the Company, is also available on the Company's website www.gemstoneltd.com
13. In terms of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the Company is providing the facility to its members to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice.

14. The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Tuesday, 25th September, 2018 at 9:00 a.m. and ends on Thursday, 27th September, 2018 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders / Members
- 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 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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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 (iv).

- 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 Gemstone Investments 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 a 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 changed 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 cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- 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.

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

Item No. 4:

The term of office of five (5) years of Ms. Dhara Brahmbhatt as a Managing Director will be ending on September 28, 2020. The shareholders of the company had also accorded their approval for payment of remuneration to her up to September 28, 2020.

The Ministry of Corporate Affairs vide its Notification dated 12th September, 2016 brought changes in the provisions under Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by increasing the limits of yearly remuneration basis effective capital as under:

It is proposed to seek approval in terms of the Companies Act, 2013 for payment of remuneration to Ms. Dhara Brahmbhatt for the remaining period of her tenure commencing from April 01, 2018.

Particulars of details of Ms. Dhara Brahmbhatt, Managing Director, pursuant to the information as required under schedule V of the Companies Act, 2013 including Secretarial Standard- 2 and SEBI (LODR) Regulations, 2015, as applicable, are stated in Annexure to the notice.

Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on 5th September, 2018 approved the remuneration as stated in Item no. 4 of the notice. Further, Board of Directors recommends the resolution stated in the said item for the approval of members of the Company by way of Special Resolution.

Except Ms. Dhara Brahmbhatt, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

Item no. 5:

Mr. Manish Joshi was originally appointed as a Non-Executive Director in the previous Annual General Meeting. In order to meet the requirement of an Independent Director, it is proposed to change the designation of Mr. Manish Joshi from Non-Executive to Non-Executive Independent Director with a tenure of 5 years w.e.f. 5th September, 2018. The Company has received a declaration of Independence as required under section 149 (6) of the Companies Act, 2013 from Mr. Manish Joshi.

Mr. Manish Joshi is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013. Hence, it is proposed to appoint Mr. Manish Joshi as an Independent Director of the Company for a period of five years effective from 5th September, 2018.

The Board recommends the resolution at Item no. 5 for the approval of the shareholders.

Except Mr. Manish Joshi, none of the Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested in this resolution.

**For and on behalf of the Board
For Gemstone Investments Limited**

Sd/-

**Manali Bhuva
Chairman**

Place: Mumbai

Date: September 05, 2018

Annexure 1**DETAILS OF DIRECTORS PROPOSED TO BE APPOINTED**

Name of the Director	Mr. Tarun Brahmhatt	Mr. Manish Joshi
DIN	07866769	07873456
Date of Birth	19.12.1984	22.06.1969
Date of Appointment	12.07.2017	14.09.2017
Expertise in Special Functional	Finance	Capital Market
Directorship held in other Public Limited Companies #	None	None
Number of shares held in	Nil	Nil
Inter se Relationship with	None	None

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 [INCLUDING SECRETARIAL STANDARD- 2 AND SEBI (LODR) REGULATIONS, 2015, AS APPLICABLE] IN RESPECT OF ITEM NO. 4 OF THE NOTICE:

I. GENERAL INFORMATION:

a. Nature of Industry:

Gemstone Investments Limited is a Non-Banking Finance Company registered with the Reserve Bank of India. The Company has been operating in the financial business for over two decades and has achieved several milestones. In the financial year 2017-18, the company registered a top-line of Rs. 1,94,51,389.00 and bottom line of Rs. 49,82,454.90.

b. Date or expected date of commencement of commercial production:

The Company has been operational since incorporation.

c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

d. Financial performance based on given indicators:

Particulars	Amt. in Rs.		
	31.03.2018	31.03.2017	31.03.2016
Total Income	1,94,51,389.00	2,07,86,038.00	2,29,16,702.00
Profit Before Tax	65,22,101.90	87,21,127.71	51,75,322.04
Net Profit after Tax	49,82,454.90	60,70,982.71	30,68,487.27

e. Foreign investments or collaborations, if any: None.

II. INFORMATION ABOUT THE APPOINTEE:

a. Background Details:

Ms. Dhara Brahmhatt has been the Managing Director of the Company since 29th September, 2015. She holds a Master's Degree in Commerce from Mumbai University. She has over vast experience of over ten years in the financial sector.

b. Past Remuneration:

The total remuneration of Ms. Dhara Brahmhatt for the financial year ended March 31, 2018 was Rs. 4,00,000/- comprising of salary and perquisites.

c. Job Profile and her suitability:

Ms. Dhara Brahmhatt functions as a Managing Director under the guidance and supervision of the Board. She has been a spearhead in ensuring proper implementation of the overall business strategy approved by the Board and has acting as a bridge between the Board and the Management of the Company.

d. Remuneration Proposed:

The remuneration proposed to be paid to Ms. Dhara Brahmhatt is provided in Item No. 4 of the Notice.

e. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).

The remuneration payable have been benchmarked with the remuneration being drawn by peers in similar capacity in NBFC's of comparable size and has been considered by the Nomination and Remuneration Committee of the Company. The profile of the Managing Director, her responsibilities, complex business operations, industry benchmark and size of the company justify the payment of said remuneration.

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

Ms. Dhara Brahmhatt has no other pecuniary relationship with the company except to the extent of her remuneration and shareholding in the company.