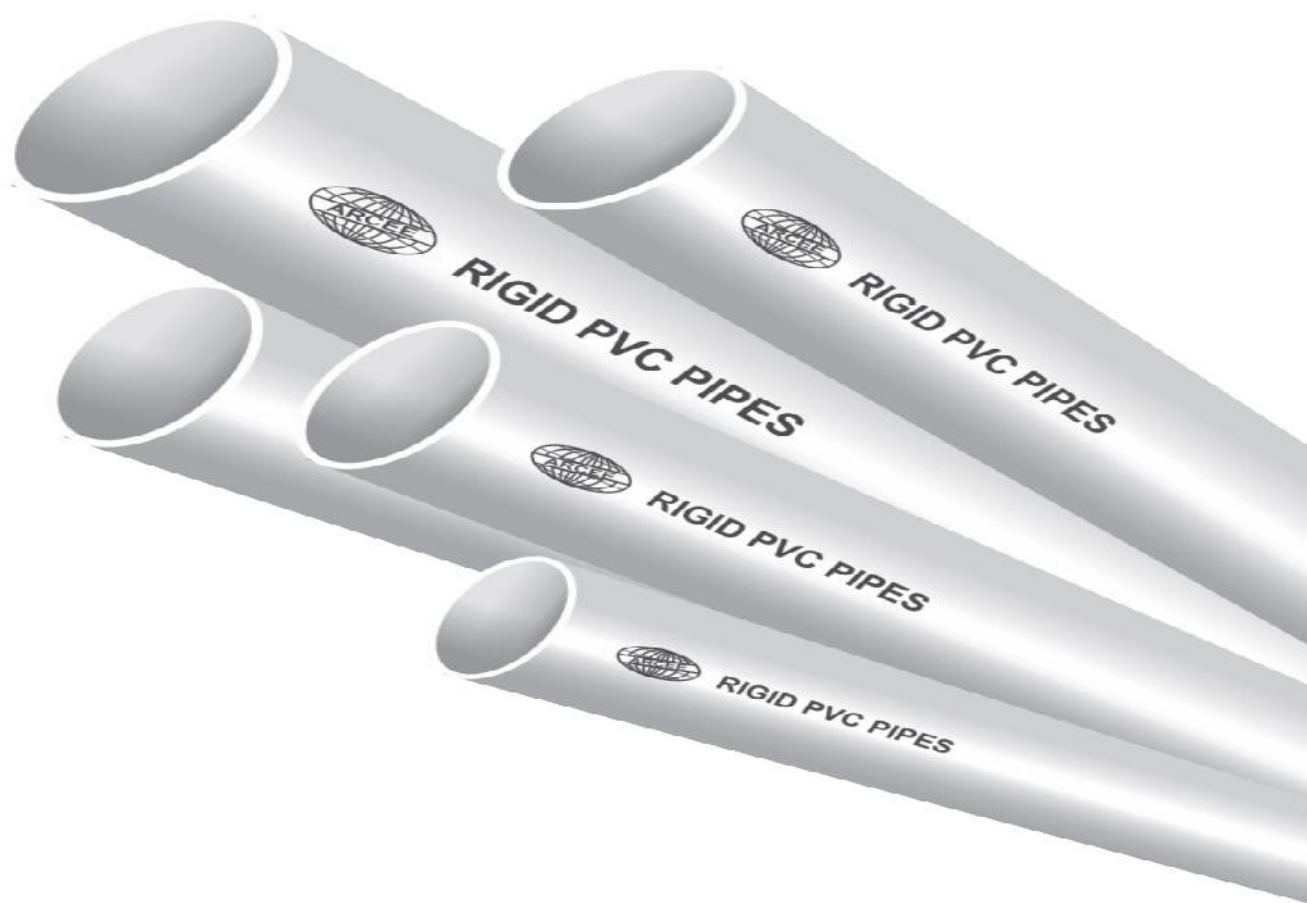


26th ANNUAL REPORT

2017-2018



ARCEE INDUSTRIES LIMITED

BOARD OF DIRECTORS

SH. RAMESH CHANDER GUPTA
SMT. KRISHNA GUPTA
SH. S. P. KANODIA
SH. MANOJ GOYAL
SH. PANKAJ AGARWAL
SH. OM PARKASH

CHAIRMAN & WHOLE TIME DIRECTOR (DIN – 00284823)
DIRECTOR (DIN – 00284849)
DIRECTOR (DIN – 00284918)
DIRECTOR (DIN – 00067155)
DIRECTOR (DIN – 00020220)
CHIEF FINANCIAL OFFICER

AUDITORS

M/S. JAIN MITTAL CHAUDHARY & ASSOCIATES
CHARTERED ACCOUNTANTS
SCO-144, RED SQUARE MARKET, 1st Floor
HISAR – 125 001 (HARYANA)

REGD. OFFICE & WORKS

7th K.M. BARWALA ROAD
TALWANDI RANA
HISAR - 125 001 (HARYANA)
PH. : 98120-20111, 98120-40111
E-mail ID : arceeind@rediffmail.com

REGISTRAR & SHARE TRANSFER AGENT

MAS SERVICES LIMITED
T-34, 2ND FLOOR, OKHLA INDL. AREA
PHASE – II, NEW DELHI – 110 020
PH. : 011-26387281, 26387282
FAX : 011-26387384
E-mail ID : info@masserv.com

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NOTICE

NOTICE is hereby given that the '**26th ANNUAL GENERAL MEETING**' of members of ARCEE INDUSTRIES LIMITED (CIN L29120HR1992PLC031681) will be held on Saturday, the 29th day of September, 2018 at 10.00 A.M. at the Registered office of the Company at 7th K.M. Barwala Road, Talwandi Rana, Hisar – 125 001 to transact the following business :-

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2018, together with the Report of the Directors and Auditors' thereon.
2. To appoint a director in place of Sh. Ramesh Chander Gupta (DIN - 00284823), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution :-

"RESOLVED that pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board and pursuant to the provisions of Sections 196, 197 and any other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with Schedule V to the Act and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such other approvals as may be necessary, consent of the Members of the Company be and is hereby accorded for the appointment of Mrs. Krishna Gupta (DIN-00284849), as Whole-time Director of the Company; being liable to retire by rotation; for a period of three years with effect from May 30, 2018 to May 29, 2021 on the terms and conditions as specified herein-below, as follows:

- a) Salary: Rs. 10,000/- per month.
- b) Perquisites : As per Statutory Laws.

RESOLVED FURTHER that no sitting fees will be paid to Mrs. Krishna Gupta for attending meetings of the Board of Directors or any Committee thereof.

RESOLVED FURTHER that in the event of absence or inadequacy of profits in any financial year during the currency of the tenure of Mrs. Krishna Gupta as Whole-time Director of the Company aforesaid remuneration will be paid to her as minimum remuneration subject to the provisions of Schedule V of the Act and receipt of the requisite approvals, if any.

RESOLVED FURTHER that Mrs. Krishna Gupta, Whole-time Director on reappointment as a director liable to retire by rotation, shall continue to hold her office of Whole-time Director and the reappointment as such director shall not be deemed to constitute a break in her office of Whole-time Director.

RESOLVED FURTHER that Mrs. Krishna Gupta, shall perform such duties as shall be entrusted to her by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.

RESOLVED FURTHER that Mr. Ramesh Chander Gupta, Director of the Company be and are hereby authorized to take all other steps as may be necessary to give effect to the aforesaid resolution."

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

“RESOLVED that pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby granted for ratification of holding of office of Whole Time Director of the company by Sh. Ramesh Chander Gupta (DIN-00284823) even after attaining the age of 70 years and retired on 21.01.2018.”

“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 THE BOARD

REGISTERED OFFICE

7th K.M. Barwala Road
Talwandi Rana, Hisar – 125 001

Date : 30th May, 2018

**Om Parkash
Chief Financial Officer**

CIN : L29120HR1992PLC031681
Phone : 98120-2011, 98120-40111
Email : arceeind@rediffmail.com

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 on a poll, instead of her/him and the proxy need not be a Member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.**

A proxy form is sent herewith. Pursuant to the provision of section 105 of the Companies Act 2013, a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. Provided that a member holding more than 10 (Ten) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.

2. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
3. The Company's Register of Members and Transfer Books will remain closed from **Wednesday, September 19, 2018 to Saturday, September 29, 2018** (both days inclusive).
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.

6. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days viz. Monday to Friday, between 11.00 A.M. and 1.00 P.M. from dispatch of notice till the date of the Meeting or any adjournment(s) thereof.
8. Appointment of Directors: At the ensuing Annual General Meeting, Sh. Ramesh Chander Gupta is retiring by rotation, being eligible, is offering himself for re appointment.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company's Registrar.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
11. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting, to enable the management to keep the required information available at the meeting.
12. The Notice of the AGM alongwith the Annual Report 2017-18 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. Instructions and other information relating to remote e-voting are as under:
 - I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
 - II. The facility for voting through ballot paper system shall also be made available at the venue of the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through above voting system.
 - III. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
 - IV. The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide e-voting facility.
 - V. The Board of Directors has appointed Mr. Vishesh Kumar, Practising Chartered Accountant (Membership No. 091914), as Scrutinizer to scrutinize the remote e-voting and voting through ballot paper at the meeting in a fair and transparent manner.
 - VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. September 22, 2018 only shall be entitled to avail the facility of remote e-voting or voting by ballot paper at the meeting.

- VII. You can also update your mobile number and e-mail addresses in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 22, 2018.
- IX. Any person, who become a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. September 22, 2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
- X. The remote e-voting period commences on September 26, 2018 (10:00 am) and ends on September 28, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 22, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- XI. The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than two days of conclusion of the meeting, make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. The results declared along with the consolidated scrutinizer's report shall be placed on the website of NSDL <https://evoting.nsdl.com>. The results shall simultaneously be communicated to the Stock Exchanges.
- XII. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e. September 29, 2018.
- XIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990.
- XIV. The process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client I For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mr_vishesh@rediffmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item: 3

Mr. Krishna Gupta aged about 62 years was inducted into the Board of Directors of the Company on 22.07.1998.

The Nomination and Remuneration Committee, in its meeting held on May 30, 2018 recommended and the Board of Directors, in its meeting held on May 30, 2018 approved the appointment of Mrs. Krishna Gupta (holding DIN 00284849), as Whole-time Director of the Company for a period of 3 years effective from May 30, 2018 to May 29, 2021 subject to approval of the Members of the Company and subject to such other approvals as may be necessary, on terms and conditions as set out in the resolution.

Mrs. Krishna Gupta is a Director in M/s. Arcee Ispat Udyoig Private Limited and does not hold membership of committees of the Company and any other Company.

Except Mrs. Krishna Gupta herself and Mr. Ramesh Chander Gupta as relative of Mrs. Krishna Gupta, none of the other Directors and Key Managerial Personnel or their relatives are in any way concerned or interested in the Resolution in Item No.3.

The resolution read with explanatory statement should be considered as written memorandum, as required under the provisions of Section 190 of the Companies Act, 2013 setting out the terms of employment of Mrs. Krishna Gupta as Whole-time Director of the Company. Further either party can rescind this resolution by giving a six months notice.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT 2013

I. GENERAL INFORMATION:

1) Nature of Industry

Manufacturing of PVC Pipes.

Date or expected date of commencement of commercial production

The Company was incorporated on May 27, 1992 and commenced its operations in Feb., 1994.

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

Not applicable

3) Financial performance based on given indicators

(Rs. in Lacs)

	2017-2018	2016-2017
Revenue from Operation	0	3.59
Profit/(Loss) before depreciation, Interest & Taxes	3	(32)
Depreciation & Amortization Expenses	9	15
Finance Cost	-	1
Profit/(Loss) before Taxes	(6)	(48)
Provision of Tax/Tax Paid (Incl. Deferred Taxation)	-	-
Profit/(Loss) after Tax	(6)	(48)
Balance brought forward	(238)	(190)
Balance Carried to the Balance Sheet	(244)	(238)

4) Foreign investments or collaborators, if any

The Company has not any foreign investment or collaboration.

II. INFORMATION ABOUT THE APPOINTEE:

1) Background Details

Mrs. Krishna Gupta aged about 62 years is a Housewife.

2) Past Remuneration

Nil

3) Recognition or Awards

Nil

4) Job Profile and his Suitability

To look after the general affairs of the company.

5) Remuneration Proposed

The remuneration proposed is detailed in the resolution.

6) Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person

The proposed remuneration is much below the prevailing remuneration in the industry of similar size for similarly placed persons.

7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personal, if any

NIL

III. OTHER INFORMATION:

1) Reasons of loss or inadequate profits

- General Economy slowdown of the country at large
- Slack in demand due to lack of infrastructure projects;
- Pressure on pricing;
- High Interest rates.

2) Steps taken or proposed to be taken for improvement

- To launch new products;
- Reduce break-even;
- Enhance performance ethics;
- Specilisation.

3) Expected increase in productivity and profit in measurable terms

The company has squared up the working capital limits in October, 2015 as per instruction of Punjab National Bank. But Punjab National Bank is not releasing the title deeds of property (Unit at 7th K M Barwala Road, Talwandi Rana, Hisar-125001) mortgage to bank because account of Arcee Ispat Udyog Ltd. (Associate Concern of Arcee Industries Ltd) has been declared NPA. So the production has stopped since April 2016. We are trying to convince the PNB for releasing the title deeds of property so that we may avail working capital limits from any other bank and may resume production.