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23rd **ANNUAL REPORT**
2016-17



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TWENTY THIRD ANNUAL REPORT 2016-17

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CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Mr. Srinivasa Reddy Arikatla	- Chairman & Managing Director
2. Mr. Anil Kumar Chede	- Independent Director
3. Mr. Narasimha Reddy Mandireddy	- Independent Director
4. Ms. Harshana Antharaji	- Independent Director
5. Mr. Venkat Reddy Sureddy	- Independent Director
6. Mr. Balaram Reddy Chintakuntla	- Chief Financial Officer

KEY MANAGERIAL PERSONNEL

Mr. Srinivasa Reddy Arikatla	- Chairman & Managing Director
Mr. Balaram Reddy Chintakuntla	- Chief Financial Officer

COMMITTEES OF THE BOARD

Audit Committee

S.No	Name	Category of Director	Designation
1.	Mr. Mandireddy Narasimha Reddy	Non-Executive - Independent Director	Chairperson
2.	Mr. Anil Kumar Chede	Non-Executive - Independent Director	Member
3.	Mr. Venkat Reddy Sureddy	Non-Executive - Independent Director	Member

Nomination & Remuneration Committee cum Compensation Committee

S.No	Name	Category of Director	Designation
1.	Mr. Mandireddy Narasimha Reddy	Non-Executive - Independent Director	Chairperson
2.	Mr. Anil Kumar Chede	Non-Executive - Independent Director	Member
3.	Mr. Venkat Reddy Sureddy	Non-Executive - Independent Director	Member

Stakeholders Relationship Committee

S.No	Name	Category of Director	Designation
1.	Mr. Harshana Antharaji	Non-Executive Independent Director	Chairperson
2.	Mr. Srinivasa Reddy Arikatla	Executive Director	Member

CORPORATE IDENTITY NUMBER

L67120MH1994PLC076637

REGISTERED OFFICE

106, 2nd Floor, Link Plaza Commercial Complex,
New Link Rd, Oshiwara, Jogeshwari (W),
Mumbai-400102, Maharashtra
Email id: info@ajel.com
Website: www.ajel.in
Phone: +91 22 2639 3197

Branch Offices:

Hyderabad, India

Flat 301, Blaock A
Sri Laxmi Estates,
Madinaguda,
Hyderabad - 500 050
Telangana

Bengaluru, India

34/11, 5th Floor,
Vidya Gayathri
Green Garden Layout
Whitefield Road
Bengaluru - 560 037, Karnakata

U.S.A.

1 Cragwood Road,
Suite # 102,
South Plainfield, NJ 07080.
USA.

STATUTORY AUDITORS

M/s. Naresh Dinesh & Associates
Chartered Accountants
403, Eesha Kripa,
Near Brahman Sabha Road,
Malad (West), Mumbai: 400 064

SHARE TRANSFER AGENTS & DEMAT REGISTRARS

Adroit Corporate Services Pvt Ltd

17-20, Jafferbhoy Ind. Estate,
1st Floor, Makwana Road,
Marol Naka, Andheri (E), Mumbai 400059, India
Tel: +91 (0) 22 42270400
www.adroitcorporate.com

BANKERS

Axis Bank
Syndicate Bank
Laxmi Vilas Bank
Citi Bank
Wells Fargo Bank

WEBSITE

www.ajel.in

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of the notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the following addresses.

CORPORATE OFFICE:

106, 2nd Floor, Link Plaza Commercial Complex, New Link Rd, Oshiwara, Jogeshwari (W), Mumbai-400102, Maharashtra.
Email id: info@ajel.com
Website: www.ajel.in
Phone : +91 22 2639 3197

SHARE TRANSFER AGENTS & DEMAT REGISTRARS

M/s Adroit Corporate Services (RTA),
17-20, Jafferbhoy Ind. Estate,
1st Floor, Makwana Road,
Marol Naka, Andheri (E), Mumbai 400059, India
Tel: +91 (0) 22 42270400
Fax: +91 (0) 22 28503748
www.adroitcorporate.com

SEBI has made it mandatory for every participant in the Securities/Capital Market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with photocopy of both sides of PAN card, duly attested to the Demat Registrar and Share Transfer Agent of the Company, M/s ADROIT SERVICES as above.

NOTICE OF 23rd ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the members of AJEL LIMITED will be held on **Friday, the 29th day of September, 2017 at 10.00 AM** at Garden Banquets, Junction Of J P Road & Veera Desai Road, Andheri West, Mumbai - 400058 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, the Report of the Board of Directors and the Report of the Auditors thereon; and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and the Report of the Auditors thereon.
2. To appoint a director in place Mr. Srinivasa Reddy Arikatla (DIN: 01673552), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. Naresh Dinesh & Associates, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 (Five) years.

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 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and as approved by the Board of Directors, the Company hereby appoint M/s. Naresh Dinesh & Associates, Chartered Accountants (Firm Registration No. 140097W) as the Statutory Auditor of the Company, to hold office from conclusion of this meeting till the conclusion of the sixth consecutive Annual General Meeting to be held after this general meeting, on such remuneration and out of pocket expenses as mutually decided by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. To Re-Appoint Mr. Srinivasa Reddy Arikatla as Chairman and Managing Director for the further period of 3 (Three) years.

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

"RESOLVED THAT pursuant to Sections 196 and 197 read with Schedule V as applicable and other applicable provisions of the Companies Act, 2013, if any, consent of the members be and is hereby accorded to ratify the appointment made by the Board of Directors in their meeting held on 04/09/2017 of Mr. Srinivasa Reddy Arikatla (DIN: 01673552) as Managing Director of the company for a period of (3) three years w.e.f. 04/09/2017 with a overall remuneration not exceeding Rs.2,00,000 (Rupees two lacs) per month.

"RESOLVED FURTHER THAT Mr.Srinivasa Reddy Arikatla shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, be available to other Senior Executives of the Company.

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Srinivasa Reddy Arikatla, the remuneration and perquisites set out as aforesaid be paid or granted to him as minimum remuneration and perquisites provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit in terms of Schedule V to the said Act as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force

"RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorized to file all the required documents and to do such other acts, deeds and things as are necessary and incidental thereto."

By Order of the Board
for **Ajel Limited**

Sd/-
Srnivasa Reddy Arikatla
Managing Director
DIN: 01673552

Place: Mumbai
Date: 04.09.2017

Registered Office:

106, 2nd Floor, Link Plaza Commercial Complex,
New Link Rd, Oshiwara, Jogeshwari (W),
Mumbai-400102, Maharashtra.

Notes:

1. An Explanatory Statement under Section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. The statement of the particulars of Directors seeking Appointment / Re-appointment is enclosed as Annexure A. as required under sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), 2015. The Directors have furnished the requisite declarations for their appointment/re-appointment.
3. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its registered office not later than 48 (forty-eight) hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/ authority, as applicable.

A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
4. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
5. Members are requested to bring the Attendance Slip duly filled in and signed mentioning therein details of their DP ID and Client ID/ Folio No., which is enclosed herewith, and hand over the same at the entrance of AGM venue.
6. Members who hold shares in dematerialised form are requested to bring their depository account Number (Client Id and DP Id No) for easier identification and recording of the attendance at the meeting.
7. 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 at the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting
9. Members/Proxies are requested to bring their copies of Annual Report to the meeting. As an austerity measure, copies of Annual Report will not be distributed at the meeting. Members may also note that the Notice of the 23rd AGM and the Annual Report for 2016-2017 will also be available on the Company's website www.ajel.in for download.
10. Members desirous of seeking any information on the accounts or operations of the company are requested to write to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.

11. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
12. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, M/s Adroit Corporate Services (RTA). Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.
13. Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.
14. The equity shares of the Company have been notified for compulsory trading in demat form. The Company has signed a tripartite agreement with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and M/s Adroit Corporate Services (RTA) to facilitate dematerialisation of shares. Members are requested to avail of this facility and have their shareholding converted into dematerialised form.
15. Relevant Documents referred to in the accompanying notice and the Explanatory Statement is open for inspection at the registered office of the company on all working days during the business hours up to the date of the Annual General Meeting.
16. In terms of Section 160, any director himself or any member intending to propose any person as a director other than a retiring director, has to give a notice as to his intention to propose him/her as a candidate for that office not less 14 (fourteen) days before the meeting along with deposit of Rs.1,00,000 (Rupees One Lakh).
The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with their respective Depository Participants. Members who hold shares in physical form are requested to fill and send the required details to the Registrar and Share Transfer Agent, M/s Adroit Corporate Services (RTA) at 17-20, Jafferybhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059, Maharashtra
17. The Securities 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, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
18. Members holding shares in the company and who have not registered their mail id with the company or the depository and wish to avail e-voting may write to the registrar or the company quoting their client id/folio no and DP id so as to send the password for e-voting. Hard copy of the ballot paper will be provided at the venue of the AGM for those members who have not exercised their e-voting.
19. Voting through electronic means:

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2016 and all other applicable provisions, shareholders are provided with the facility to cast their vote electronically, through the Remote e-voting services provided by CDSL, in respect of all resolutions set forth in this Notice.

The Company is also providing the facility for voting by way of physical ballot at the Annual General Meeting. Ms. Suman Bijarnia, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the Ballot process at the Annual General Meeting in a fair and transparent manner.

The facility for voting through ballot paper shall be made available at AGM and members attending the meeting and who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through the ballot paper.

Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

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, 22/09/2017 only shall be entitled to avail the facility of remote e-voting.

1. Voting through electronic means:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide facility to the members to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote E-Voting platform provided by CDSL.

The instructions for Remote E-Voting are as under:

- i. The voting period begins at 9 A.M. on 26.09.2017 and ends at 5 P.M. on 28.09.2017. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e 22.09.2017 (End of Day) may cast their vote electronically. The Remote E-Voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the Remote E-Voting website www.evotingindia.com during the voting period.
- iii. Click on the "Shareholders" tab.
- iv. Now select the "AJEL LIMITED" from the drop down menu and click on "SUBMIT".
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login
- vii. 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.
- viii. If you are a first time user follow the steps given below:

	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. The respective sequence number will be printed on the address sticker of the annual report cover sent to the shareholders
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. 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 Remote 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.
- xii. For Members holding shares in physical form, the details can be used only for Remote E-Voting on the resolutions contained in this notice.
- xiii. Click on EVSN of AJEL LIMITED
- xiv. 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.
- xv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- xvi. 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.
- xvii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xviii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xix. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xx. Note for Institutional Shareholders
 - a. Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evoting.co.in> and register themselves as Corporates.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - c. After receiving the login details they have to create 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.
 - d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. 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.
- xxi. In case you have any queries or issues regarding, you may refer the Frequently Asked Questions ("FAQ's") and Remote E-Voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- II. The Scrutinizer Suman Bijarnia, Hyderabad shall within a period not exceeding three (3) working days from the conclusion of the Remote E-Voting period unblock the votes in the presence of at least 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, forthwith to the Chairman of the Company.
- III. The results shall be declared on or before the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website www.ajel.in and on the website of M/s Adroit Corporate Services (RTA). Within two (2) days of passing of the resolutions at the AGM of the Company and be communicated to the Stock Exchanges.