

PAE LIMITED
68th Annual Report 2017-2018



Company Information

BOARD OF DIRECTORS:

Mr. Arvind R. Doshi	:	Non-Executive Chairman
Mr. Pritam A. Doshi	:	Managing Director
Dr. Mrs. Pratibha A. Doshi	:	Non-Executive Director
Mr. Karthikeyan Muthuswamy	:	Independent Director
Mr. John O. Band	:	Independent Director (Res. w.e.f. 27.03.2018)
Mr. Vijaykumar Nanappan Nair	:	Independent Director (App. w.e.f. 14.02.2018)

AUDIT COMMITTEE:

Mr. John O. Band	:	Chairman (Res. w.e.f. 27.03.2018)
Mr. Vijaykumar Nanappan Nair	:	Chairman (App. w.e.f. 29.05.2018)
Mr. Karthikeyan Muthuswamy	:	Member
Mr. Pritam A. Doshi	:	Member

NOMINATION AND REMUNERATION COMMITTEE:

Mr. John O. Band	:	Chairman (Res. w.e.f. 27.03.2018)
Mr. Karthikeyan Muthuswamy	:	Chairman (App. w.e.f. 29.05.2018)
Mr. Arvind R. Doshi	:	Member
Mr. Vijaykumar Nanappan Nair	:	Member (App. w.e.f. 29.05.2018)

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. John Band	:	Chairman (Res. w.e.f. 27.03.2018)
Mr. Karthikeyan Muthuswamy	:	Chairman (App. w.e.f. 29.05.2018)
Mr. Arvind R. Doshi	:	Member
Mr. Pritam A. Doshi	:	Member

REGISTERED & CORPORATE OFFICE:

PAE Limited, 69, Tardeo Road, Mumbai 400034.

BANKERS:

State Bank of India
Corporation Bank

STATUTORY AUDITORS:

M/s. R. C. Vakharia & Co., Chartered Accountants.

SECRETARIAL AUDITOR:

M/s. Leena Agrawal & Co., Practicing Company Secretary

ANNUAL GENERAL MEETING:

Day, Date & Time : Saturday, 29th September, 2018 at 11.00 A.M.
Venue : The Victoria Memorial School for the Blind
73, Tardeo Road, Next to H.P. Petrol Pump,
Mumbai-400034.

PAE LIMITED

CIN : L99999MH1950PLC008152
Regd. Off. : 69, Tardeo Road, Mumbai-400034.
Phone : 022-66185799 Fax No.:022-66185757.
Web. : www.paelttd.com
Email : investors@paelttd.com

NOTICE

NOTICE is hereby given that the 68th Annual General Meeting of the members of **PAE LIMITED** will be held on Saturday **29th day of September, 2018** at The Victoria Memorial School for the Blind, 73, Tardeo Road, Next to H.P. Petrol Pump, Mumbai-400034 at 11.00 a.m. to transact the following businesses:

ORDINARY BUSINESSES:

1. To Consider and approve Financial Statements consist 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 Director's and Auditors report thereon.
2. To re-appoint a director in place of Mr. Arvind R. Doshi (holding DIN No. 00015293) Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. R. C. Vakharia & Company, Chartered Accountants, Mumbai, (having Firm Registration no. 111237W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration and out of pocket expenses as may be mutually agreed by them with the Board of Directors.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as a **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) ("**Act**") read with Schedule IV to the Act, Mr. Vijaykumar Nanappan Nair (holding DIN No. 08089578), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for (3) three consecutive years commencing from **February 14, 2018 to February 13, 2021.**"

5. To consider and if thought fit, to pass, with or without modification, if any, the following resolution as a **Special Resolution:-**

"RESOLVED THAT pursuant to Section 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, the members of the company do hereby accords their approval and consent to the appointment of **Mr. Pritam A. Doshi (DIN:00015302) as Managing Director** (age about 45 years) of the Company for a period of **Three years** with effect from **01st April, 2018 to till 31st March, 2021** and to his receiving remuneration, benefits, amenities and other terms and conditions as Managing Director of the Company as set out herein below:

The proposed remuneration to be paid to Mr. Pritam Doshi and the perquisites proposed to be provided to him is set out below:

- i) Salary - Rs. 3,50,000/- per month.
- ii) Increments - Such increments as may be fixed by the Board of Directors from time to time.
- iii) Special Allowance as may be decided by the Board from time to time.
- iv) Provident Fund - Company's contribution not to exceed 12% of salary.
- v) Gratuity - Gratuity benefits as applicable to Officers of the Company and shall be subject to the maximum amount as may be permitted under the Company's rules in relation to gratuity prevailing from time to time.
- vi) Housing - House Rent Allowance of such amount as may be fixed by the Board of Directors from time to time. The flat (either owned or leased or for which House Rent Allowance is paid) shall be partly furnished, painted at such periodic intervals as per rules of the Company and air conditioned with reimbursement of gas, water and electricity bills, the monetary value of which may be evaluated as per the Income-tax Rules, 1962.

- vii) Medical Aid - Medical aid benefits for self and family as applicable to the Officers of the Company, subject to the condition that the cost of medical benefits to the Company shall not exceed Rs.15,000/- per year.
- viii) Free use of the Company's car and fuel expenses for use on the Company's business as well as for own use. If car is leased from an external agency or from spouse, lease rental and fuel expenses will be paid as per rules of the Company.
- ix) Reimbursement of salary of driver as per rules of the Company.
- x) Leave on full pay and allowances as per rules of the Company for such number of days of leave as may be granted to other employees of the Company in the Head Office.
- xi) Leave Travel Concession for self and family for undertaking one or more journeys in India subject to a ceiling of one and half month's salary in a financial year.
- xii) Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed by the Board of Directors from time to time.
- xiii) Reimbursement of expenses on mobile phone and landline phone at residence as per rules of the Company.

MINIMUM REMUNERATION

The above remuneration (including perquisites) shall be paid to Mr. Pritam Doshi as the minimum remuneration in the event of absence or inadequacy of profits in any financial year of the Company.

OTHER TERMS AND CONDITIONS

- a) He shall not be paid any sitting fees for attending Board/ Committee Meetings.
- b) He shall not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency without prior approval of the Central Government.
- c) The appointment may be terminated by the Company or by Mr. Pritam Doshi by giving not less than three months' prior notice in writing.

"RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197, 198 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, the consent of the members be and is hereby accorded that Mr. Pritam A. Doshi (DIN:00015302), Managing Director of the Company be paid remuneration by way of Salary, Perquisites and Allowances with effect from 1st April, 2018 for the period of his tenure ending on 31st March, 2021, in case where in any financial year, during the currency of the tenure of Mr. Pritam Doshi as Managing Director, the Company has no profits or its profits are inadequate, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT any one director and/or company secretary of the company be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

6. To consider and if thought fit, to pass, with or without modification, if any, the following resolution as a **Special Resolution:-**

"RESOLVED THAT, pursuant to Section 180(1)(a), 110 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Companies (Amendment) Act, 2017 and subject to all other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification or re-enactment thereof for the time being in force), regulation 24 of the SEBI (Listing Obligations and

Disclosures Requirements) Regulations, 2015, the provisions of the Memorandum and Articles of Association of the Company and further subject to the necessary approvals, consents, permissions and sanctions required from the Company's lenders, and/or other institutions or bodies, statutory authorities, and such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the powers conferred by this resolution), consent of the Members of the Company be and is hereby accorded for divest and dispose-off PAE Infrastructure Private Limited, a Wholly Owned Subsidiary of the Company by way of striking-off u/s 248(5) of the Companies Act, 2013.

RESOLVED FURTHER THAT, for the purpose of giving effect to the above resolution the Board of Directors of the Company or a duly authorized Committee thereof, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to divest and dispose-off and to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

For PAE Limited
Sd/-
Pritam A. Doshi
Managing Director
DIN:00015302

Date: May 29, 2018
Place: Mumbai

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

1. The instrument(s) appointing a proxy, if any shall be deposited at the Registered Office of the Company at 69, Tardeo Road, Mumbai-400034 not less than 48 hours before the commencement of the meeting.

A person acting as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Members are requested to intimate the Registrar and Share Transfer Agent of the Company M/s. Link Intime India Private Ltd., immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DP) in respect of equity shares held in dematerialized form.
3. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to the Registrar and Share Transfer Agent of the Company.
4. The Register of Members and Share Transfer books of the Company will remain closed from September 24, 2018 to September 29, 2018 (both days inclusive). The Book closure dates have been fixed in consultation with the Stock Exchanges.
5. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124(5) and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividends, remaining unclaimed for a period of seven (7) years from the date it became due for payment, in relation to the Company have to be transferred to IEPF and no claim shall lie against the Company for the amounts so transferred. Members who have not yet encashed their dividend warrant(s) pertaining to final dividend for the financial year 2010-2011 are requested to make their claim without any delay. It may be noted that the unclaimed final dividend for the financial year 2010-2011 declared by the Company on July 30, 2011 can be claimed by the shareholders by September 15, 2018 and any request for claim received after this date, will be considered as not received.

6. Compulsory Dematerialisation of Securities:

Persuant to notification dated 8th of June, 2018 towards amendment of SEBI (LODR) Regulations, 2015 the securities held in Physical form shall not be transfer unless the securities are held in Dematerialised form with a depository. Accordingly we hereby intimating all the shareholders holding shares in Physical form to convert the same in Dematerialised form on or before 30th November, 2018 via submitting request with Depository mentioned herein. Also note that any request for physical transfer shall not be entertained by Company and Registrar and Share Transfer Agent after 30th November, 2018 (IST 5:00 pm).

7. According to the Circular nos.17/2011 dated 21.04.2011 and no.18/2011 dated 29.4.2011 on "Green Initiative in Corporate Governance" issued by the Ministry of Corporate Affairs introducing paperless compliances

allowing service of documents through electronic mode. The Companies are now permitted to send various notices/documents to its shareholders through electronic mode which would be sufficient compliance under Section 53 of the Companies Act, 1956. In order to support the Green Initiative, Notice of AGM along with the Annual Report 2017-2018 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company /Depositories, unless Member has requested for a physical copy of the same. Members who have not registered their e-mail addresses, physical copies are being sent to them by the permitted mode.

To support Green Initiative the Members who have not registered their e-mail address are requested to register the same with our Registrars & Transfer Agents, M/s. Link Intime India Pvt. Ltd., C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 or with their respective Depositories.

8. Investor Grievance Redressal:

The Company has designated an exclusive e-mail ID viz. investors@paeltd.com to enable investors to register their complaints, if any.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, Members have been provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited, on all resolutions set forth in this notice.

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 25.09.2018 (9.00 a.m. IST) and ends on 28.09.2018 (5.00 p.m. IST).
2. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21/09/2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The shareholders should log on to the e-voting website www.evotingindia.com.
 - (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (ii) Now, select the "PAE Limited" form the drop down menu and click on "SUBMIT"
 - (iii) 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.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) 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.

- (vi) If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form	
PAN	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 Attendance Slip indicated in the PAN field.
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.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <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).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for PAE Limited on which you choose to vote.
- (xi) 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
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xvii) 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 Corporate.
 - 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 they have to create a user who would be able to link the account(s) for which they wish to vote on.

- 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.
- 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.

(xviii) 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.

In case of member receiving the physical copy:

- (A) Please follow all steps from sl. no.(i) to sl. No (xviii) above to cast vote.

The voting period begins on 25.09.2018 (9.00 a.m. IST) and ends on 28.09.2018 (5.00 p.m. IST). During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21/09/2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut – off date and not casting their votes electronically, may cast their vote at the AGM venue, facility will be available at the venue. The results of e-voting will be placed by the Company on the [website:www.paeltd.com](http://www.paeltd.com) within two days of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.

- The resolutions proposed will be deemed to have been passed on the date of AGM subject to receipt of number of votes in favour of the resolutions.
- M/s. Leena Agrawal & Co., Practicing Company Secretary, (Membership No.: FCS 6607) has been appointed as the Scrutinizer to scrutinize the e-voting process.
- In terms of Clause 35B of the Listing Agreement, those members, who do not access to e-voting facility, may send their assent or dissent in writing on the Ballot Form sent along with this AGM Notice so as to reach the Scrutinizer at the Address- M/s. Leena Agrawal & Co., Practicing Company Secretary, (Membership No.: FCS 6607) C/o. Link Intime India Private Limited (Unit: PAE Limited), at C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 on or before September 28, 2018 (IST 5:00 p.m.). Any Ballot Form received after IST 5.00 p.m. will be treated as the reply from the member has not been received.
- Voting will be provided to the members through e-voting and / or at the venue of the Meeting. A member can opt for only one mode of voting i.e. either through e-voting or ballot if a member cast votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.
- All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered office on all working days of the Company between 10.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting except Saturday, Sundays and Public holidays.

For PAE Limited

Sd/-
Pritam A. Doshi
Managing Director
DIN: 00015302

Date: May 29, 2018
Place: Mumbai

ANNEXURE TO NOTICE:

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 IS ANNEXED HERETO.**Item No. 4**

Pursuant to the provisions of section 149 of the Companies Act, 2013 ("2013 Act") which came into effect from April 1, 2014, every listed Company is required to have at least one-third of the total number of Directors as Independent Directors, who are not liable to retire by rotation. The Securities and Exchange Board of India ("SEBI") vide its circular has directed that these Independent Directors are required to be appointed for 3 to 5 consecutive years and for maximum two term of such three to five years and those Independent Directors who have already served for ten or more years will serve for a maximum period of one term of five years. The Board of Directors at its meeting held on May 23, 2014 has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the 2013 Act and the SEBI circular. In effect the transition will be managed by re-appointing such Independent Directors for a period of one more term that does not exceeds 5 years.

A Short brief about the Independent Directors is mentioned below:

Mr. Vijaykumar Nanappan Nair is a graduate in Psychology. He has pursued Diploma in Business Administration and Diploma in Effective Business Communication. He holds more than 35 years of experience in Automobile Battery Industry and recently served as the National Head. As National Head, Mr. Vijaykumar built a nation wide battery sales and service organization and established a new brand on the national level within a span of 18 months. He has visited various parts of the country to develop business across India. He has also visited countries like Sri-Lanka, Malaysia, Singapore & Bangladesh for building Business relationships. He was a member of Ahmedabad Management Association and has been a member of Gujarat Sports Club for 17 years.

The Ordinary Resolutions are recommended by the Board for the approval of the Members.

Item No.5:

Mr. Pritam A. Doshi, aged 45 years, is a promoter and Managing Director of the Company and having over 23 years of industry experience in the field of Bioengineering, management, information technology, investment strategy etc. The current term of appointment of Mr. Pritam Doshi as a Managing Director of the Company expired on March 31, 2018 and board of directors, subject to approval of members, appointed him as Managing Director for further period of three years with effect from April 01, 2018.

Pursuant to Sections 196 & 197 read with Schedule V of the Companies Act, 2013 requires the payment of minimum remuneration in case of lack or inadequacy of profits to be approved by the Members by way of a Special Resolution for a period not exceeding three years. As a Promoter and Managing Director, Mr. Pritam A. Doshi's leadership has led to the development of technologically and management of the company due to which the Company is looking forward to an exciting growth phase. In view of this, it is proposed to seek the approval of Members for re-appointment of Mr. Pritam A. Doshi with the following remuneration structure:

- i) Salary - Rs. 3,50,000/- per month.
- ii) Increments - Such increments as may be fixed by the Board of Directors from time to time.
- iii) Special Allowance as may be decided by the Board from time to time.
- iv) Provident Fund - Company's contribution not to exceed 12% of salary.
- v) Gratuity - Gratuity benefits as applicable to Officers of the Company and shall be subject to the maximum amount as may be permitted under the Company's rules in relation to gratuity prevailing from time to time.
- vi) Housing - House Rent Allowance of such amount as may be fixed by the Board of Directors from time to time. The flat (either owned or leased or for which House Rent Allowance is paid) shall be partly furnished, painted at such periodic intervals as per rules of the Company and air conditioned with reimbursement of gas, water and electricity bills, the monetary value of which may be evaluated as per the Income-tax Rules, 1962.
- vii) Medical Aid - Medical aid benefits for self and family as applicable to the Officers of the Company, subject to the condition that the cost of medical benefits to the Company shall not exceed Rs. 15,000/- per year.
- viii) Free use of the Company's car and fuel expenses for use on the Company's business as well as for own use. If car is leased from an external agency or from spouse, lease rental and fuel expenses will be paid as per rules of the Company.

- ix) Reimbursement of salary of driver as per rules of the Company.
- x) Leave on full pay and allowances as per rules of the Company for such number of days of leave as may be granted to other employees of the Company in the Head Office.
- xi) Leave Travel Concession for self and family for undertaking one or more journeys in India subject to a ceiling of one and half month's salary in a financial year.
- xii) Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed by the Board of Directors from time to time.
- xiii) Reimbursement of expenses on mobile phone and landline phone at residence as per rules of the Company.

MINIMUM REMUNERATION

The above remuneration (including perquisites) shall be paid to Mr. Pritam Doshi as the minimum remuneration in the event of absence or inadequacy of profits in any financial year of the Company.

OTHER TERMS AND CONDITIONS

- a) He shall not be paid any sitting fees for attending Board/ Committee Meetings.
- b) He shall not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency without prior approval of the Central Government.
- c) The appointment may be terminated by the Company or by Mr. Pritam A. Doshi by giving not less than three months' prior notice in writing.

The re-appointment and the remuneration proposed fulfill the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of Government of India is not required. A copy of the agreement containing the terms and conditions of re-appointment of Mr. Pritam A. Doshi is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto and including the date of the Annual General Meeting.

Accordingly the Board recommends the passing of the special resolution as set out in the Item No. 5 of the Notice.

Item No.6:

The Company holds 100% of the shareholding in PAE Infrastructure Private Limited a wholly owned Subsidiary (WOS) i.e. 3,52,000 shares of Rs.10/- each comprising value of Rs.3,52,000/-. Considering the present financial constraints, erosion of entire net worth of the WOS for the financial year ended 31st March, 2018 and operations of the company shuttered, the management opinion it is difficult to revive and operate the said WOS and it is necessary to strike-off in order to avoid operating and compliance expenses.

It is thus proposed to dispose-off the WOS Company by way of striking-off the name of company u/s 248(3) of the Companies Act, 2013 after discharge of all liabilities and Assets. There was Nil Assets and Directors of WOS are in process to pay of all outstanding liabilities as on 31st March, 2018.

The approval of the members is being sought under Section 180(1)(a) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Director, Key Managerial Personnel or their relatives, either directly or indirectly in any way concerned or interested, financially or otherwise, in the above resolution except Mr. Arvind R. Doshi, Mr. Pritam A. Doshi and Mrs. Pratibha A. Doshi (promoters) by virtue of their position as Directors and Managing Director in the Company.

The Board recommends the resolution as set out in the Item No.6 of the Notice approval by the shareholders.

**By Order of the Board of Directors
For PAE Limited**

**Sd/-
Pritam A. Doshi
Managing Director
DIN:00015302**

**Date: May 29, 2019
Place : Mumbai.**

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:

(In pursuance of regulation 36 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)

Name of Director	Mr. Vijaykumar N. Nair	Mr. Arvind Raoji Doshi	Mr. Pritam A. Doshi
Date of Birth	21.05.1951	26.11.1939	09.04.1973
Nationality	Indian	Indian	Indian
Date of Initial Appointment	February 14, 2018	April 16, 1994	January 30, 2004
Expertise in specific functional areas	Mr. Vijaykumar Nannapan Nair 67 years old and holds more than 35 years of experience in Automobile Battery Industry and recently served as the National Head. He was a member of Ahmedabad Management Association and has been a member of Gujarat Sports Club for 17 years	Mr. Arvind R. Doshi, besides having brilliant academic career in Engineering and in Management also has rich experience in the field of Engineering Industry and in Automobile Sector.	Mr. Pritam A. Doshi is having a wide exposure in the Automobile, Healthcare and IT Industry.
Qualifications	He is a graduate in Psychology. He has pursued Diploma in Business Administration and Diploma in Effective Business Communication.	Civil & Sanitary Engineer and Diploma in Business Management.	B. S. (Bio-Engg.) from the University of Pennsylvania, Philadelphia, U.S. A. and M. B. A. from University of Chicago, U.S. A.
Other Public Companies in which Directorship is held as on March 31, 2018.	Nil	1. Sadhana Nitro Chem Ltd.	Nil
Chairman of Committees formed by Board of other Companies on which he is a Director as on March 31, 2018.	Nil	Remuneration Committee: 1. Sadhana Nitro Chem Ltd.	Nil
Member of Committees formed by Board of other Companies on which he is a Director as on March 31, 2018.	Nil	Audit Committee: 1. Sadhana Nitro Chem Ltd. Share Transfer / Investor Grievances Committee: 1. Sadhana Nitro Chem Ltd.	Nil
Shareholding in the Company as on March 31, 2018.	Nil	26,55,728	13,95,199

DIRECTORS' REPORT

To, The Members,

Your Directors presents their 68th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

STATE OF COMPANY'S AFFAIRS:

Your Company is in the business of sales and service of Lead Storage Batteries, Power Backup Systems and Automotive parts. It had a nationwide network of 19 sales offices and warehouses and staff of 120 providing sales and services to the customers' across India. From the month of November, 2016 the Company has shrunk its business and closed down most of the branches and many staff members have resigned.

In the Lead Storage Battery segment, your Company markets its own brands of automotive and non-automotive batteries. Your Company markets a premium range of batteries known as ZENIDE and ZENIDE GOLD and it also markets Autozen and POWERZEN standard range of batteries. These batteries are sold to end-users, OE customers and to battery dealers and power solution providers across India. PAE also provides battery charging service to its customers. The range of batteries includes automotive, motorcycle, tubular and sealed-maintenance-free and valve-regulated lead acid batteries.

FINANCIAL RESULTS:

The financial highlights of the year are:

Particulars	(Rs. in Lacs)			
	Standalone		Consolidated	
	March 2018	March 2017	March 2018	March 2017
Income from operation	8.92	47.36	9.51	63.20
Other Income	202.30	152.89	202.30	147.14
Total Income	211.22	200.25	211.81	210.34
Profit/(loss) before Interest, Depreciation, Tax and Exceptional Items	(91.05)	(402.39)	(95.11)	(405.43)
Less: Interest Expenses	47.00	95.07	47.02	95.16
Less: Depreciation	14.14	24.23	17.94	37.41
Less: Exceptional Items	-	-	(131.72)	650.58
Profit/(loss) before Tax	(152.18)	(521.70)	(291.80)	112.57
Less Provision for Taxation	-	-	0.03	0.79
Net Profit/(Loss) after Tax	(152.18)	(521.70)	(291.83)	111.78

During the financial year 2017-2018 the total income was Rs. 211.22 Lakhs compared to last year's total income of Rs.200.25 Lakhs. Loss before Tax was Rs. 152.18 Lakhs in the current year as compared to Rs.521.70 Lakhs in the previous year. This was due to the decrease in sales on account of difficult market condition, financial crunch and challenging situation worldwide.

DIVIDEND AND BOOK CLOSURE:

The Board of Directors does not recommend dividend on equity shares for the current financial year.

The register of members and share transfer books will remain close from September 24, 2018 to September 29, 2018 (both days inclusive) for the 68th Annual General Meeting of the Company scheduled to be convened on September 29, 2018 at 3:00 pm at The Victoria Memorial School for the Blind, 73, Tardeo Road, Next H. P. Petrol Pump, Mumbai-400 034.

SHARES CAPITAL:

Authorised Capital

The current Authorised Share Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five Crores) divided into 1,50,00,000 (One Crore Fifty lacs) Equity shares of Rs. 10/- each and 1,00,00,000 (One Crore) Preference shares of Rs. 10/- each.

Equity Shares

The paid up Equity share capital of the Company as on March 31, 2018 was Rs. 10,41,96,000/- comprising of 1,04,19,600 equity shares of Rs. 10/- each.

Preference Shares

The paid up Preference share capital of the Company as on March 31, 2018 was Rs.9,10,00,000/- comprising of 91,00,000 11% Non-Convertible, Cumulative, Redeemable Preference shares of Rs. 10/- each..

MEETINGS BOARD OF DIRECTORS:

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance in order to help them to plan their schedule. However, in case of special and urgent business needs, approval is taken either by convening meetings at a shorter notice with consent of all the Directors or by passing resolutions through circulation. During the year, the Board of Directors met 7 times i.e. on May 29, 2017, June 14, 2017, June 27, 2017, August 1, 2017, August 14, 2017, November 14, 2017 and February 14, 2018.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence from all the Independent Directors of the Company.

The certificates of independence received from all the Independent Directors have been duly noted by the Board.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION PURSUANT TO SECTION 178(3) OF THE COMPANIES ACT, 2013:

The Board of Directors of your Company in consultation with Nomination and Remuneration Committee had formulated and adopted Code for Independent Directors and which contains policy on director's appointment and remuneration including criteria for determining qualification, positive attributes and independence of directors.

Board of Directors of the Company duly consider appointment of the Directors in adherence with the policy prescribed under the code of independent directors and provisions of section 178(3) of the Companies Act, 2013.

AUDIT COMMITTEE:

The Company has an Independent Audit Committee comprising of 3 members i.e. 2 Independent Directors and 1 Executive Director. All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, all are considered to have financial management and accounting related expertise. Terms of reference of the Audit committee are elaborated in the Corporate Governance report which forms the part of this Annual Report.

The Audit Committee presently comprises of and Mr. Vijaykumar Nanappan Nair as a Chairman and Karthikeyan Muthuswamy and Mr. Pritam A. Doshi as its members. Mr. John O. Band, Independent Director was the Chairman of the committee and he has resigned from the board w.e.f. 27.03.2018. Consequently the Audit committee reconstituted and appointed Mr. Vijaykumar Nanappan Nair, Independent Director as a Chairman of the Committee w.e.f. 29.05.2018.

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178(5) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors.

The Nomination & Remuneration Committee presently comprises Mr. Karthikeyan Muthuswamy as a Chairman and Mr. Arvind R. Doshi and Mr. Vijaykumar Nanappan Nair as its members. Mr. John O. Band, Independent Director was the member of the committee and he has resigned from the board w.e.f. 27.03.2018. Consequently the Nomination & Remuneration Committee reconstituted and appointed Mr. Vijaykumar Nanappan Nair, Independent Director as a member of the Committee w.e.f. 29.05.2018.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors.

The Stakeholder Relationship Committee comprises of Mr. Karthikeyan Muthuswamy, Independent Director as its Chairman and Mr. Arvind R. Doshi and Mr. Pritam A. Doshi as its members. Mr. John O. Band, Independent Director was the Chairman of the committee and he has resigned from the board w.e.f. 27.03.2018. Consequently The Nomination & Remuneration Committee reconstituted and appointed Mr. Karthikeyan Muthuswamy, Independent Director as a Chairman of the Committee w.e.f. 29.05.2018.

The minutes of the Stakeholder Relationship Committee meetings are reviewed and noted by the Board from time to time.

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors confirms that:

- in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act

- for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating

PARTICULARS OF LOANS MADE, GUARANTEES GIVEN OR INVESTMENTS BY THE COMPANY U/S 186 OF THE COMPANIES ACT, 2013:

Particulars of loans made, guarantees given or investments in securities by the Company are provided in the notes to the Financial Statements.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES IN A PRESCRIBED FORM ALONGWITH THE JUSTIFICATION FOR ENTERING INTO SUCH CONTRACT OR ARRANGEMENT:

During the year there was no related party transactions of material nature that may have a potential conflict with interests of the Company, all transactions with related parties were in the normal course of business. On recommendation of Audit Committee the Board ratifies all the related party transactions on quarterly basis. The details of the transactions are annexed herewith as 'Annexure- 1' in the prescribed form AOC-2

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments done by management affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relates and the date of the report.

CONSOLIDATED FINANCIAL STATEMENT:

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statement is provided in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company as it is suffering losses for more than three consecutive years; hence disclosure in this regard is not provided.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES (SECTION 177(10)):

The Board of directors of the Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The directors are committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organizational environment. In consonance with the object of transparency and good governance, the board of directors of the company formulated and adopted "Whistle Blower Policy and Vigil Mechanism"

The organization's internal controls and operating procedures are intended to detect and prevent improper activities. In this regard, the Company believes in developing a culture where it is safe for all the Directors/Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. These help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The main objective of this Policy is to provide a platform to Directors and Employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative bearing on the organization either financially or otherwise.

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION (SECTION 197(12)):

Details pertaining to remuneration as required under section 197(12) of the Companies act, 2013 read with rule 5(1) of the companies (appointment and Remuneration of managerial personnel) rules, 2014 are provided in 'Annexure-2' to the Board's Report.

MANAGERIAL REMUNERATION AND RELATED DISCLOSURES:

Disclosures pertaining to remuneration to directors and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

Pertaining to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors do hereby declare that:

- (i) No employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One Crore Two Lakhs;
- (ii) No employee for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees Eight Lakhs Fifty Thousand;
- (iii) No employee throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

SUBSIDIARY / ASSOCIATE COMPANIES:

The Company had one unlisted Indian Wholly owned subsidiary as defined in Regulation (2)(zm) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 namely PAE Infrastructure Pvt. Ltd. and one Associate company namely Shurjo Energy Pvt. Ltd.. The Shareholders in the 67th Annual General Meeting consented to sale Subsidiary company and investment in Associate Company. Accordingly investment in M/s. Shurjo Energy Pvt. Ltd. Sold during the F.Y. 2017-2018 and company is in process of closure of PAE Infrastructure Pvt. Ltd., due to non-operation and necessary approvals of members seeking in this AGM. Existing subsidiary fall under the category of 'material non-listed Indian subsidiary'. However, the financial statements of all subsidiary company including investments made, if any, are periodically reviewed by the Audit Committee. The company has formulated policy for determining material subsidiary pursuant to regulation 16(c) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The financial performances, Minutes of Board Meetings of these subsidiary company and all significant transactions or arrangements entered into by the subsidiary companies are reviewed by the Board of the Directors from time to time.

Pursuant to Section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014, the Statement containing salient features of the financial statement of subsidiary companies is provided in the Form AOC-1 as Annexure 3.

DEPOSITS COVERED UNDER CHAPTER-V OF THE COMPANIES ACT, 2013:

In terms of explanation to Rule 19 of the Companies (Acceptance of Deposits) Rules, 2014, the Company has to pay an amount of Rs.4.45 Lakhs deposits are matured but not claimed for the year under review and will be repaid on claim of respective holder as per the terms of acceptance of the same,

During the year, the Company has not accepted any new deposits from public in terms of section 73 of the Companies Act, 2013.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosures) Requirements, 2015, is presented in a separate section forming part of the Annual Report.

STATUTORY AUDITORS AND INDEPENDENT AUDIT REPORT

M/s. R. C. Vakharia & Co., Chartered Accountants, the Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and eligible for re-appointment.

The Company has received letter from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits under the provisions of the Companies Act, 2013 and also that their firm is not disqualified within the meaning of Section 141 of the Companies Act, 2013, for such appointment.

The Audit Committee and the Board of Directors therefore recommend the appointment of M/s. R. C. Vakharia & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2018-2019 for the approval of the Members.

Further, the report of independent auditors on standalone and consolidated financial statements are presented in a separate section forming part of the Annual Report.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

The Company undertaken Secretarial Audit for the year 2017-2018 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Agreement and Regulations and Guidelines prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999. The Secretarial Audit Report issued by M/s. Leena Agrawal & Company, Practicing Company Secretary is enclosed herewith as Annexure-4.

RESPONSES TO QUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS & DISCLAIMERS MADE BY THE STATUTORY AUDITORS AND THE SECRETARIAL AUDITORS:

Referred to 'Basis for Qualified Opinion' by Statutory Auditors in their report, we hereby reply that:

Para (a) : due to critical financial conditions which resulting lowered operations of the company, operating costs bore by the company resulted accumulated losses. The management is striving to come out from this situation by raising finance from banks, NBFC and/or financiers and having hope that company could revive in coming further and being going concern for years to come.

Para (b) : The management is in process to make necessary arrangement for physical verification of stock and reconciliation of Sundry debtors, sundry creditors, warranty receivables, warranty payables and warranty stock.

Para (c) : The amount involved in various legal cases is subject to order of the respective courts and increasing interest costs, hence the same is unascertainable.

Response to the Qualifications / Adverse remarks in Secretarial Audit Report

In reference to the adverse remark by the Secretarial Audit Report regarding Appointment of Company Secretary and Compliance Officer, the company has appointed Mr. Pranay Nandgaonkar, Company Secretary (Mem. No.A41333) as a Company Secretary and Compliance Officer of the Company at the board meeting held on 29.05.2018 w.e.f. 01.06.2018.

HUMAN RESOURCES

Company considers its employees as most valuable resource and ensures strategic alignment of Human Resource practices to business priorities and objectives. The Company has a dedicated team of employees at various locations across our corporate office and branch offices (including Subsidiary Companies) spread across the country. The Company strives to inculcate the culture where its employees are motivated and their performance is aligned with values. The focus on improving productivity and adoption of best practices in every area are being pursued relentlessly. An effort for active participation, nurturing creativity and innovation and ensuring a climate of synergy and enthusiasm has been at the core of Human Resource initiatives and interventions.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The company has formed the committee to prevent Sexual harassment under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Formulated Policy on prevention of sexual harassment and safety of women employees at work place. There was no incidence of sexual harassment during the financial year ended 31st March, 2018.

SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2017-18, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future

CORPORATE GOVERNANCE:

As required by the existing Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a detailed report on Corporate Governance is included in the Annual Report.

M/s. R. C. Vakharia & Co., Chartered Accountants have certified the Company's compliance of the requirements of Corporate Governance in terms of Regulation 34 of the Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.

Management response to the adverse remarks in Compliance Certificate on Corporate Governance:

In reference to the "Opinion: by the by Auditors in Certificate on Corporate Governance:

- i) The company has appointed Mr. Pranay Nandgaonkar, Company Secretary (Mem. No.A41333) as a Company Secretary and Compliance Officer of the Company at the board meeting held on 29.05.2018 w.e.f. 01.06.2018.
- ii) Due to unavoidable circumstances, Mr. John O. Band, Chairman of the Audit committee couldn't attend the AGM held on 28.07.2017 and Shareholders queries on financial results duly address by Mr. Karthikeyan Muthuswamy, Independent Director and member of the Audit committee in absence of Chairman of the Audit committee.

COST AUDIT:

Since the company is in business of Trading and does not come under purview of In the Companies (Cost Records and Audit) Rules 2014 and the Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return in Form MGT-9 is enclosed with this report as Annexure-5.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Since the Company does not own any manufacturing facility or unit, hence disclosures with respect to conservation of energy, technology absorption being not relevant, have not been given. During the year the foreign exchange outgo was Rs.2.22 lakhs and foreign exchange earnings were Nil.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the Section 125 applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of 7 (seven) years. Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. For the year under review your Company having unpaid dividend for the F.Y. 2010-2011 and those shareholder who has not claimed the said dividend the same shall be transferred to the IEPF fund of the Authority.

LISTING FEES AND TRADING CONFIRMATION:

Your Company has paid requisite annual listing fees to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) where its securities are listed.

INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENT.

Your Company has adequate internal financial control and adopted Internal Financial Control Policy in order to maintain confidentiality of price sensitive information and internal financial control.

RISK MANAGEMENT

The Company has mechanisms to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk through means of a properly identified framework. Risk management is an ongoing process and the Audit Committee will periodically review risk mitigation measures. The Board of Directors has not constituted a Risk Management Committee as is not mandatory to the company vide circular bearing number CIR/CFD/POLICY CELL/7/2014 issued by SEBI dated September 15, 2014.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

CAUTIONARY STATEMENT:

Statements in the Director's Report and the Management Discussion and Analysis Report describing the Company's objectives, projections, expectations, estimates or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties. Important factors that could influence the Company's operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

ACKNOWLEDGMENTS

Your Directors take this opportunity to thank all investors, clients, vendors, banks, regulatory, Government authorities and Stock Exchanges for their continued support and cooperation. The Directors also wish to place on record their appreciation of the contribution made by the business partners / associates at all levels.

**For and on behalf of the
Board of Directors**

**Sd/-
Arvind R. Doshi
Chairman
DIN: 00015293**

Date: May 29, 2018