

PCS

TECHNOLOGY

P125
24/8/15

MD & CEO	MKT PLACE	SECRET	SP&P	HR	INVEST & A/C
RCD					DOT/DIT
LEGAL	BSE LTD.				DOT 3RD FLR
MS&D					DOSS
BD&M					DCS
IPF					USE
INTER'L RELA	NO. 119703				21 AUG 2015
BTI	INTER CONT'L	INF PROD	SME	ESTATE	CORP COMM
BSE/BOOK	DIS	CSD & ICCL	ADMIN	SECUR	LISTING

PCS Technology Limited

34th
Annual Report
2014-15



TECHNOLOGY

PCS TECHNOLOGY LIMITED

CIN - L74200MH1981PLC024279

BOARD OF DIRECTORS

Mr. G. K. Patni (DIN - 00014163)	Chairman
Mr. A. K. Patni (DIN - 00014194)	Vice Chairman
Mr. H. C. Tandon (DIN - 00037611)	Managing Director & CEO
Mr. Apoorva Patni (DIN - 01647791)	Director (Resigned w.e.f 22nd July, 2015)
Mr. Satish Ajmera (DIN - 00208919)	Director
Mr. D. B. Engineer (DIN - 00047028)	Director
Mr. G. M. Dave (DIN - 00014163)	Director
Mr. K. K. Barjatya (DIN - 00107064)	Director
Mrs. Vandana Gupta (DIN - 07117752)	Director
Mr. Yash Bhardwaj (DIN - 01714824)	Executive Director- Appointed w.e.f 22 nd July, 2015

CHIEF FINANCIAL OFFICER

Mr. M. P. Jain

COMPANY SECRETARY

Mr. Bhaskar J. Patel

AUDITORS

S. C. Bandi & Co.

Chartered Accountants, Mumbai

BANKERS

Canara Bank
Indian Bank
Dena Bank
Union Bank of India

REGISTERED OFFICE

Office no.1, Gat no. 478
Alandi Markaal Road,
Tal. Khed, Alandi
Dist Pune 412 106.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (E), Mumbai - 400 072.
Tel. : 2847 0652 / 4043 0200
Fax: 022-2847 5207

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34th ANNUAL GENERAL MEETING

Day, Date & Time : Wednesday, 16th September, 2015, 11.30 A.M.
Venue : Hotel Aaradhana Garden, Gat No. 123, Alandi Markaal Road,
Tal. Khed, Alandi, Dist. Pune 412 106

MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT ALONG WITH THEM AT THE ANNUAL GENERAL MEETING



PCS Technology Limited

**34th
Annual Report
2014-15**

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PCS TECHNOLOGY LIMITED
CIN - L74200MH1981PLC024279

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Mr. G. M. Dave (DIN - 00014163)	Director
Mr. K. K. Barjatya (DIN - 00107064)	Director
Mrs. Vandana Gupta (DIN - 07117752)	Director
Mr. Yash Bhardwaj (DIN - 01714824)	Executive Director- Appointed w.e.f 22 nd July, 2015

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THIRTY FOURTH ANNUAL REPORT 2014-2015



NOTICE TO MEMBERS

NOTICE is hereby given that the **34th ANNUAL GENERAL MEETING of PCS Technology Limited** will be held in Meeting Hall of Hotel Aaradhana Garden situated at Gat No. 123, Alandi Markaal Road, Tal. Khed, Alandi, Dist. Pune 412 106 on Wednesday 16th September, 2015 at 11.30 a.m. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheet as at 31st March, 2015 and the Profit & Loss Account of the Company for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Gajendra Kumar Patni (DIN - 00014163) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors of the Company and to fix remuneration and to pass the following resolution as an ordinary resolution thereof.

"RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board of Directors and pursuant to the resolution passed by the members at the AGM held on 17th September, 2014, for the appointment of Mr. S. C. Bandi, of S. C. Bandi & Co., Chartered Accountant (registration no. 130850W) as Statutory Auditors of the Company to hold office till the conclusion of the AGM of the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix remuneration payable to them for the financial year ending 31st March, 2016 as may be determined by the audit committee in consultation with the auditors".

SPECIAL BUSINESS:

4. Appointment of Mrs. Vandana Gupta as Director of the Company

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

"RESOLVED THAT Mrs. Vandana Gupta (DIN: 07117752), who was appointed as an Additional Director of the Company with effect from 16th March, 2015 by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 ("the Act") and who holds office as such up to the date of this Annual General Meeting has submitted a declaration that she is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company."

5. Appointment of Mrs. Vandana Gupta as an Independent Director of the Company

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 Sections 149, 152, schedule VI and other applicable provisions of the Companies Act, 2013, the Rules made thereunder and Clause 49 of the Listing Agreement, Mrs. Vandana Gupta (DIN: 07117752), who was appointed as an Additional Director of the Company by the Board of the Directors with effect from 16th March, 2015 and who holds office to the date of this Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Vandana Gupta as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for two consecutive years upto 15th March, 2017, not liable to retire by rotation."

6. Appointment of Mr. Yash Bhardwaj as Director of the Company

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

"RESOLVED THAT Mr. Yash Bhardwaj (DIN:- 01714824) who was appointed as an Additional Director of the Company with effect from 22nd July, 2015 by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 ("the Act") and who holds office as such up to the date of this Annual General Meeting, has submitted a declaration that he is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. Appointment of Mr. Yash Bhardwaj as an Executive Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions 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, Mr. Yash Bhardwaj (DIN 01714824) be and is hereby appointed as an Executive Director of the Company for a period of 3 (three) years with effect from 22nd July, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice concerning this meeting and as further set out in the Agreement submitted to this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (herein after referred to as "the Board" which terms shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the said terms and conditions of the said appointment and /or agreement as it may deem fit and as may be acceptable to Mr. Yash Bhardwaj."

8. Related Party Transactions

"RESOLVED THAT pursuant to the provisions of the first proviso to Section 188 and other relevant provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby given for entering into transaction or arrangement or contract with the Related Parties (i.e. the Company's was - PCS Infotech Ltd.) on the terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting and as further set out in the draft agreement submitted to this meeting be and is hereby specifically approved with liberty to the Board of Directors to alter and vary the said terms and conditions of the said Agreement."

Registered Office:

Office no.1, Gat no. 478
Alandi Markaal Road,
Tal. Khed, Alandi
Dist Pune 412 106
CIN - L74200MH1981PLC024279

By Order of the Board
For PCS Technology Ltd.

Bhaskar J Patel

Company Secretary

Mumbai, 22nd July, 2015

NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF OR HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 10th September, 2015 to Wednesday, 16th September, 2015, both days inclusive.

PCS TECHNOLOGY LIMITED

- 3) Members are requested to:
 - (a) intimate to the Company / their Depository Participant ("DP"), changes, if any, in their registered address at an early date and also their email ID.
 - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
 - (c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
 - (d) to send their queries, if any, at least 10 (ten) days in advance of the meeting so that the information can be made available at the meeting.
- 4) Members whose Shareholding is in electronic mode are requested to direct change of address notifications and updates of saving bank account details to their respective Depository Participants.
- 5) The Annual Report 2014-15 is being sent through electronic mode only to the members whose email address are registered with the Company/ depository participants, unless any members has requested for a physical copy of the Report. For the members who have not registered their email addresses, physical copies of the Annual Report 2014-15 are being sent by the permitted mode.
- 6) Members may also note that the Notice of the 34th AGM and the Company's Annual Report 2014-15 will be available on the Company's website www.pcstech.com. The physical copies of the documents will also be available at the Company's registered office.
- 7) Information pursuant to Clause 49 of the Listing Agreement for Appointment / Re-appointment of Directors:

Name of the Director	Date of Birth	Date of Appointment	Directorships in other companies incorporated in India	Chairman/Member of Other Committees of Companies
Mr. Gajendra Kumar Patni	23/03/1941	22/04/1981	PCS Cullinet Pvt. Ltd	-
			PCS Infotech Limited	-

8. Voting through electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013 and amended Rule 20 of Companies (Management and Administration) Rules, 2014, Clause 35B of Listing Agreement the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

The instructions for members for voting electronically are as under:-

The remote e-voting period begins on Saturday, 12th September, 2015 at 10:00 a.m and ends on at Monday, 14th September, 2015 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 9th September, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

(A) In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "PCS Technology Limited" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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 first two letters of their name and the 8 digits of the sequence number (Serial No. on the Address sticker / Postal Ballot Form / Email) 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 serial number 1 then enter RA00000001 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.
Bank Details	Enter the 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"> Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of share held by you as on the cut of date in the Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant PCS Technology Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. and Custodians respectively
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity 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) 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.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(B) In case of members receiving the physical copy:

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

The remote e-voting period begins on 12th September, 2015 at 10:00 a.m and ends on at 14th September, 2015 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 9th September, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding remote 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.

(C) General:

- (a) In case of any queries regarding remote e-voting you may refer to the 'user manual for shareholders to cast their votes' available at www.evotingindia.com under 'HELP'.
- (b) If you are already registered with CDSL for remote e-voting then you can use your password for casting your vote.
- (c) The remote e-voting period commences on 12th September, 2015 at 10:00 a.m. and ends on 14th September, 2015 at 05:00 p.m.
- (d) Remote e- voting module shall be disabled by CDSL for voting after 5.00 p.m. on 14th September, 2015.
- (e) The facility for voting through polling paper shall be made available at the venue of the AGM.
- (f) The members who will be attending the meeting and who have not cast their vote through remote e- voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the meeting but shall NOT be entitled to cast their vote again at the AGM.
- (g) Members holding shares in Physical or dematerialized form, as on the cut-off date of 9th September, 2015, shall only be entitled to avail the facility of Remote E-voting or voting through polling paper at the AGM.
- (h) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity Share Capital of the Company as on the cut-off date of 9th September, 2015.
- (i) M/s. Bhavesh Desai & Associates, Practising Company Secretary, Mumbai, has been appointed as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- (j) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in 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.
- (k) The results of the remote e-voting and voting through poll along with the scrutinizer's report shall be placed in the Company's website www.pcsstech.com within statutory period in the Company's Act, 2013 after passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

PCS TECHNOLOGY LIMITED

ANNEXURE TO NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4&5:

The Board of Director through a circular resolution passed on on 16th March, 2015 appointed Mrs. Vandana Gupta (Din 07117752), aged 64 years an as Additional Director of the Company who pursuant to section 161 of the Companies Act, 2013 will hold office up to the date of ensuing Annual General Meeting.

The Company has received a notice in writing under provisions of section 160 of the Companies Act, 2013, from the Member along with a deposit of Rs. 1,00,000/- proposing Mrs. Vandana Gupta as candidature for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has also received from Mrs. Gupta consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014, and an intimation in Form- DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013 and a declaration that she meets the criteria of Independence as provided in sub- section (6) of Section 149 of the Companies Act, 2013.

Mrs. Gupta, holds a Bachelor's Degree in Home Science from Lady Irwin College, New Delhi and a Master's Degree in English from Allahabad University and she also runs a support group for cancer patients in Mumbai through V-Care Foundation, a voluntary organization registered as a Charitable Trust in 1994. The organization provides free service to cancer patients and their families, to help them cope with the crisis of Cancer. The organisation is now associated with voluntary work at the leading hospitals in Mumbai viz Tata Memorial Cancer Hospital & Research Centre, Leelavati Hospital, Ratan Tata Cancer Hospital, Nanavati Hospital, Jaslok Hospital etc.

She was Awarded "Mahila Sadhaki Award" by Guild of Women Achievers in November 1997. She has participated in various International Conferences namely 2nd World Conference for Cancer Organisations held in Atlanta, USA in May 1999, Fifth World Congress of Psycho-Oncology held in Melbourne, Australia in September 2000 and 3rd Patient Seminar of the European Society for Medical Oncology held in Vienna Austria in October 2004.

She was on the Ethics Committee of Tata Memorial Hospital as a member for Five years. She has also been a member of the Palliative Care Team and Hodgkin's Jt. Clinic at Tata Memorial Hospital.

She does not hold any shares in the Company.

None of the Directors or any other key managerial personnel or any of their relatives, except Mrs. Vandana Gupta, in her capacity of being a Director, is concerned or interested, whether financially or otherwise, in this Resolution.

The Board recommends the resolution set forth in item no's. 4 & 5 for approval of members.

Item no. 6 & 7:

The Board of Directors on recommendation by the Nomination and Remuneration Committee at its meeting held on 22nd July, 2015 appointed Mr. Yash Bhardwaj (Din 01714824), as an Additional Director of the Company who pursuant to section 161 of the Companies Act, 2013 will hold office up to the date of ensuing Annual General Meeting.

Further in the said Board Meeting he was also designated as an Executive Director of the Company pursuant to section 152 of the Companies Act, 2013 for the period of three consecutive years upto 21st July, 2018 subject to the approval of the members at the ensuing Annual General Meeting on terms and Conditions as decided between Board and Mr. Bhardwaj.

Mr. Bhardwaj aged 64 years is associated with the Company since 1990 and had been assigned the varied Functional Portfolio including Marketing in the Company. Mr. Bhardwaj holds B.Sc. degree and has about 43 years of Experience in Field of Information Technology. The Board of Directors are in opinion that his association would bring immense benefit to the Company.

Earlier to his appointment as Director, he was serving as President- Resources in the Company.

The Company has received notice in writing from the Member along with a deposit of Rs. 1,00,000/- proposing Mr. Bhardwaj as candidature for the office of Executive Director to be appointed as such under provisions of section 160 of the Companies Act, 2013.

The Company has also received from Mr. Bhardwaj consent in writing to act as a Director in Form DIR -2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014, and an intimation in Form- DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

He does not hold any shares in the Company.

None of the Directors or any other key managerial personnel or any of their relatives, except Mr. Bhardwaj, in his capacity of being a Director, is concerned or interested, whether financially or otherwise, in this Resolution.

The Board recommends the resolution set forth in item no's. 6 & 7 for approval of members

The Company has entered into the agreement with an Executive Director. The various terms and conditions *inter-alia* containing the agreement are given herein below.

(a) Rs.1,00,000/- (Rupees One Lakh only) per month with such increments as may be decided by the Board subject to a ceiling of Rs.2,00,000/- per month.

(b) Perquisites : In addition to the salary, the Executive Director shall be entitled to other the following perquisites:

1) The perquisites are classified into three categories as under:

CATEGORY 'A'

i) Housing I : The expenditure incurred by the Company on hiring furnished accommodation for the Executive Director will be subject to 30% (Thirty percent) of the salary.

Housing II : In the case the accommodation is owned by the Company, ten per cent of the salary of the Executive Director shall be deducted by the Company.

Housing III : In case no accommodation is provided by the Company, the Executive Director shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing I.

City Compensatory Allowance, Adhoc Allowance, Special Allowance, Bonus/ex-gratia and other allowances, benefits etc. as decided by the Board / Committee from time to time.

ii) Leave Travel Concession : For the Executive Director and his family, once in a year incurred in accordance with the rules specified by the Company.

iii) Medical/ Hospitalization expenses for self and family subject to ceiling of one month's salary in a year or three months salary over a period of three years

iv) Personal Accident Insurance premium as per the rules of the Company.

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CATEGORY 'B'

- i) Provident Fund : Company's contribution to Provident Fund shall be as per the scheme applicable to the employees of the Company. Contribution to provident fund will not be included in the computation of perquisites.
- ii) Gratuity : As per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- iii) Encashment of Leave : Encashment of Leave at the end of the tenure of the appointment will not be included in the computation of perquisites.

CATEGORY 'C'

- i. Car : Provision of car for use on Company's business is not to be considered as perquisites. Use of car for private purpose shall be billed by the Company to the Executive Director.
- ii. Telephone : Telephone at the residence of Executive Director including Mobile Phone provided to him shall not be considered as perquisites. Personal long distance calls on telephone shall be billed by the Company to the Executive Director.
1. In the event of no profit or inadequacy of profits, the Company shall pay the aforesaid remuneration by way of salary and perquisites as minimum remuneration to the Executive Director.
2. The Executive Director shall be entitled to annual privilege leave on full salary for a period of 21 days (twenty one) and such leave shall be allowed to be accumulated for not more than 60 days
3. The Executive Director shall be entitled to reimbursement of entertainment expenses incurred by him for the purpose of the business of the Company.
4. The Executive Director shall be in the Whole time employment of the Company.
5. The Executive Director shall exercise and perform such powers and duties as the Board shall from time to time, determine, and subject to any directions and restrictions from time to time, given and imposed by the board and further subject to the superintendence control and direction of the Board.
6. The Executive Director shall ensure complete secrecy of all confidential information entrusted to him and shall not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Company or its business other than information which is already public.
The Terms and Conditions of the appointment and / or agreement may be altered and varied from time to time by the Board of Directors in consultation with the Nomination and Remuneration Committee as it may, in its discretion deemed fit subject to the provisions of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof).
The Agreement may be terminated earlier by either party giving 3 (three) months notice in writing to the other party, or the company paying 3 (three) months basic salary in lieu thereof.
The agreement between the Company and Mr. Yash Bhardwaj is available for inspection by the Members of the Company at its Registered Office of the Company, between 11.00 a.m. and 1.00 p. m. on any working day upto the date of this Annual General Meeting of the Company.

This may be treated as abstract of the Agreement entered into between the Company and Mr. Yash Bhardwaj pursuant to Section 190 of the Companies Act, 2013.

Your Directors recommend the Resolutions for your approval.

Except Mr. Yash Bhardwaj Director, none of the other Directors of the Company may be considered to be interested or concerned in this appointment and remuneration.

I. General Information as required under Schedule V to the Companies Act, 2013

- 1) Nature of industry : Hardware & software
- 2) Date or expected date of commencement of commercial production :
The Company is mainly engaged in the activities of IT Infrastructure facility management services. The Company is also into the services of providing Laboratory and Hospital management solutions, GPS/GIS based solution and IT security consulting.
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
- 4) Financial performance based on given indicators :
For the financial year ended 31st March, 2015, the Company has earned a total income of Rs. 10,046 Lacs as against Rs. 10,060 lacs for the previous financial year.
For the financial year ended 31st March, 2015, the Company has made a net profit of Rs.545 lacs as against Rs.402 lacs in the previous financial year.
- 5) Export performance and net foreign exchange collaborations
Export during the financial year was Rs. 191.16 lacs compared to exports of Rs. 409.64 lacs during the previous financial year.
The Company has earned foreign exchange worth Rs. 191.16 lacs and spent foreign exchange worth Rs. 37.03 lacs during the current financial year.
- 6) Foreign investments or collaborators, if any.
The Company has overseas subsidiary company as under :

Name of the subsidiary	:	Investment Amount
PCS Technology USA, Inc	:	2,500 Equity shares of USD 2 each fully paid up aggregating to US\$ 5,000.

II. Information about the appointee

- 1) Background details
Mr. Yash Bhardwaj aged 64 years is associated with the Company since 1990 and had been assigned the varied Functional Portfolio including Marketing in the Company in past. Mr. Bhardwaj holds B.Sc. degree and has about 43 years of Experience in Field of Information Technology. The Board of Directors are in opinion that his association would bring immense benefit to the Company.
- 2) Past remuneration
Prior to appointment as an Executive Director he was working as a President – Resources with the Company.
- 3) Recognition or awards
He has been consistently ranked amongst the high potential employees throughout his career. He has been assigned varied Portfolio in the Company.
- 4) Job profile and his suitability
The Executive Director is also responsible for the operations and bringing growth in the Company. He is instrumental in setting and reviewing performance of all units/departments of the Company. He ensures performance compliance in accordance with the Company's stated business plans and policies.

PCS TECHNOLOGY LIMITED

Apart from heading Resources requirement of the Company he also assists Marketing Division of the Company and has done exceptionally well to grow the Company.

Mr. Yash Bhardwaj's contribution to the Company has been immense.

5) Remuneration proposed

As per the explanatory statement provided to agenda No.7 of the accompanying notice.

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

The remuneration recommended to the Executive Director is in line with the industry standard of similar size companies.

7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

None.

III. Other information

1) Reasons of loss or inadequate profits :

The Company has been operating in extremely competitive domestic market for facility management service business. This business requires manpower resources with the background of Information Technology. The margins remained under pressure due to rising manpower cost in IT industry. The growth prospects of the Facility Management Service are impacted by pricing competition from large players.

2) Steps taken or proposed to be taken for improvement :

In order to meet the challenging environment, your Company is taking all measures to remain financially stable and cost efficient

3) Expected increase in productivity and profits in measurable terms

Due to steps suggested above and thrusts on cost reduction exercises, It is expected that from the coming financial year onwards, the net profit of the Company may improve effectively.

IV. Disclosures

1) The shareholders of the company shall be informed of the remuneration package of the managerial person.

Given under explanatory statement in the accompanying notice.

2) The following disclosures shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report :

i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors;

Disclosed in the Corporate Governance Report and accompanying notice.

ii) Details of fixed component and performance linked incentives along with the performance criteria;

Relevant information furnished in the Corporate Governance Report.

iii) Service contracts, notice period, severance fees;

The remuneration and appointment is for a period of three years w. e. f. 22nd July, 2015 to 21st July, 2018. The appointment is contractual and can be terminated by either party by giving 3 (three) months notice in advance.

iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

- The ESOP Plan 2004 of the Company has not been implemented so far

Item no. 8

Pursuant to Section 188 of the Companies Act, 2013, provides that except with the Consent of the Board of Directors given by a resolution at the meeting of the Board and subject to such conditions as may be prescribed, no company shall enter into any contract or arrangement with a related party with respect to sales and services.

The First proviso of the said Section provides that a company having a paid up share capital of Rs. 10 crores or more, shall not enter into a contract or arrangement with any related party except with the prior approval of the Company by a Special Resolution. The Company contemplates an arrangement with its wholly owned subsidiary (WOS) Company, 'PCS Infotech Ltd'.

Accordingly your company's proposal to carry out the transactions with the related party for the ensuing years for rendering sales and services require your prior approval.

The Company gives below the brief details of the proposed transactions to be carried out with related party.

CONTRACT OR ARRANGEMENT WITH A RELATED PARTY	
1) The name of the related party and nature of relationship.	PCS Infotech Ltd, (PCS Infotech) Mr. A K Patni and Mr. G K Patni, Directors of the Company as well as directors of PCS Infotech
2) The Nature, Duration of the Contract and particulars of the Contract or arrangement.	Proposed contract period for two years
3) The material terms of Contract or arrangement including the value, if any.	Contract would cover for rendering sales and services like Facility Management Services, Annual Maintenance services with or without supply of hardware parts, manpower supply and other IT support services. Total estimated value of the contract not exceeding upto Rs. 4 Crore

Registered Office:

Office no.1, Gat no. 478
Alandi Markaal Road,
Tal. Khed, Alandi
Dist Pune 412 106
CIN - L74200MH1981PLC024279

Mumbai, 22nd July, 2015

By Order of the Board
For PCS Technology Ltd.

Bhaskar J Patel
Company Secretary