



# **PCS Technology Limited**

**36th  
Annual Report  
2016-17**

**PCS**  
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. Satish Ajmera (DIN - 00208919)	Director
Mr. G. M. Dave (DIN - 00036455)	Director
Mr. K. K. Barjatya (DIN - 00107064)	Director
Mrs. Vandana Gupta (DIN - 07117752)	Director
Mr. Yash Bhardwaj (DIN - 01714824)	Executive Director

**CHIEF FINANCIAL OFFICER**

Mr. M. P. Jain

**COMPANY SECRETARY**

Mr. Bhaskar J. Patel

**AUDITORS**

**S. C. Bandi & Co.**

Chartered Accountants, Mumbai

**BANKERS**

Canara Bank

**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.  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis Apartments  
(Next To Keys Hotel),  
Marol Maroshi Road,  
Andheri East, Mumbai 400059.  
Tel.: 022 - 62638200  
Fax: 022-2847 5207

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**36<sup>th</sup> ANNUAL GENERAL MEETING**

**Day, Date & Time** : Wednesday, 20th September, 2017, 12.00 noon  
**Venue** : Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road,  
Pune 412 105

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

# THIRTY SIXTH ANNUAL REPORT 2016-2017



## NOTICE TO MEMBERS

**NOTICE** is hereby given that the **36th ANNUAL GENERAL MEETING of PCS TECHNOLOGY LIMITED** will be held at Hotel Celebration, Banquet Hall, Opp. New S.T. Road, Alandi Road, Pune 412 105 on Wednesday, 20<sup>th</sup> September, 2017 at 12:00 noon. to transact the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. G.K. Patni (DIN - 00014163) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Vinod .K. Mehta & Co., Chartered Accountant (Firm Registration No. 111508W) as Statutory Auditors of the Company and to fix their remuneration.

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s.Vinod K Mehta & Co, Chartered Accountants (Firm Registration No. 111508W) be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. S. C Bandi & Co., Chartered Accountants, the retiring Statutory Auditors, for a term of five years to hold office from the conclusion of 36th Annual General Meeting till the conclusion of 41st Annual General Meeting, subject to ratification by the Members at every Annual General Meeting, at such remuneration plus applicable taxes and out of pocket expenses as may be decided by the Board of Directors of the Company on the recommendation of Audit Committee."

### SPECIAL BUSINESS:

4. Re- Appointment of Mrs. Vandana Gupta (Din: 07117752) as an Independent Director of the Company

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

**"RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Vandana Gupta (DIN 07117752), be and is hereby re- appointed as an Independent Director of the Company to hold office for further term of 5 (five) years up to 15th March, 2022, not liable to retire by rotation"

### 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.

Mumbai, August 10, 2017

**Bhaskar J Patel**  
Company Secretary

### NOTES :

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE 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.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 14th September, 2017 to Wednesday, 20<sup>th</sup> September, 2017, both days inclusive.

Members are requested to:

- (a) intimate to the Company / their Depository Participant ("DP"), changes, if any, in their address or their email ID or bank mandate at an early date.
  - (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) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the R & T Agent or with the Depository Participant(s). For the members who have not registered their email addresses, physical copies of the Annual Report 2016-17 are being sent by the permitted mode.
  - 5) Members may also note that the Notice of the 36th AGM and the Company's Annual Report 2016-17 will be available on the Company's website [www.pcstech.com](http://www.pcstech.com). The physical copies of the documents will also be available at the Company's registered office.
  - 6) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.

# PCS TECHNOLOGY LIMITED

- 7) Information on Directors recommended for appointment/ re-appointment at the Annual General Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.

**Re-appointment of Mr. Gajendra Kumar Patni (DIN : 00014163) (Item no. 3)**

**Gajendra Kumar Patni**

Mr. Gajendra Kumar Patni serves as Non-Executive Vice Chairman of PCS Technology Limited and has been its Director since April 22, 1981.

He is a Chemical Engineer and has over 35 years of experience in finance, banking, legal and personnel functions and has contributed significantly in the past to the growth of the computer rental business, which led to the formation of PCS Data Products (PCSDP) in 1981 and PCS Data General (PCSDG) in 1987. Mr. Gajendra Kumar Patni was a Co-founder of Patni Computer Systems Ltd. from which he existed and resigned as Director as well as Promoter in year 2011.

**Disclosure of relationships between directors inter-se**

Relative

**Listed Companies (other than PCS Technology Limited) in which Mr. Gajendra Kumar Patni holds the directorship and Committees membership:**

**Directorship in Companies:**

Nil

**Chairperson of Board Committees:**

Nil

**Member of Board Committee:**

Nil

**Shareholding in the Company:**

5,79,685 shares

**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, pursuant to Regulation 44(1) of SEBI (LODR) Regulation, 2015, 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 Sunday, 17<sup>th</sup> September, 2017 at 10:00 a.m and ends on at Tuesday, 19<sup>th</sup> September, 2017 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 13<sup>th</sup> September, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

**E-voting Process**

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

1. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
2. Click on "Shareholders" tab.
3. Now, select "PCS Technology Limited" from the drop down menu and click on "SUBMIT"
4. 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.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
7. 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)
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

\*Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number as mentioned overleaf..

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or the Company, please enter the number of shares held by you in the Bank details field.

8. After entering these details appropriately, click on "SUBMIT" tab.

9. 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
  10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  11. Click on the EVSN for the relevant PCS Technology Limited on which you choose to vote.
  12. 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.
  13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  14. 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.
  15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  16. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  17. 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.
  18. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  19. 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](mailto: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](mailto: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 whose email IDs are not registered with the Company/ Depository participant(s) and who receive Physical Postal Ballot Forms , the following instructions may be noted:
- Please follow all steps from sl. no. (1) to sl. no. (17) above to cast vote.
- 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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](http://www.evotingindia.com) under 'HELP'.
  - (b) The facility for voting through polling paper shall be made available at the venue of the AGM.
  - (c) 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.
  - (d) Members holding shares in Physical or dematerialized form, as on the cut-off date of 13<sup>th</sup> September, 2017, shall only be entitled to avail the facility of Remote E-voting or voting through polling paper at the AGM.
  - (e) 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 13<sup>th</sup> September, 2017.
  - (f) M/s. B. Desai & Associates, Practicing Company Secretary, Mumbai, has been appointed as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
  - (g) 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 favor or against, if any, forthwith to the Chairman of the Company.
  - (h) 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.pcstech.com](http://www.pcstech.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.3

Pursuant to Section 139 (2) of the Companies Act, 2013 and as per Rule 6 of Companies (Audit and Auditors) Rules, 2014), an audit firm can act as auditors of a listed company for a maximum tenure of two terms of 5 consecutive years.

Since, the present term of M/s. S.C Bandi & Co., Chartered Accountant, who was appointed for a period of three years as Statutory Auditors of the Company is getting expired at 36th Annual general Meeting. The Board of Directors on recommendation of Audit Committee at its meeting held on 10th August, 2017 appointed M/s. Vinod .K. Mehta & Co., Chartered Accountant (Firm Registration no. 111508W) as Statutory Auditors of the Company in place of M/s. S.C Bandi & Co for a term of 5 (Five) years commencing from the conclusion of 36th Annual General Meeting till conclusion of 41st Annual General Meeting, subject to ratification by Members at every Annual General Meeting, if so required under the Companies Act, 2013.

M/s. Vinod .K. Mehta & Co., Chartered Accountants, have consented to the aforesaid appointment as Statutory Auditors of the Company and confirmed that their appointment, if made, would be within the limits and have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the Section 141(3) of the Companies Act, 2013 read with the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors recommends the resolution at Item No. 3 for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 3.

#### Item no. 4:

The members of the Company at 34th Annual General Meeting held on 16th September, 2015 had approved the appointment of Mrs. Vandana Gupta as an Independent Director of the Company for a period of 2 years with effect from 16th March, 2015 .

Since, the term of appointment of Mrs. Vandana Gupta as an Independent Director of the Company has expired on 15th March 2017, the Board of Directors at their meeting held on 8th February, 2017 re-appointed Mrs. Vandana Gupta as an Independent Director of the Company for a further period of five years w.e.f. 16th March, 2017 to 15th March, 2022, based on the recommendation of the Nomination and Remuneration Committee, at its said meeting held on 8th February, 2017.

#### Profile of Mrs. Vandana Gupta:

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.

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. 4 for approval of members

**Information on Directors recommended for appointment/ re-appointment at the Annual General Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.**

#### Disclosure of relationships between directors inter-se;

Nil

#### Names of listed entities in which the person also holds the directorship

Nil

#### Member of Board Committees

Nil

#### Shareholding in the Company

Nil

#### 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, August 10, 2017

# THIRTY SIXTH ANNUAL REPORT 2016-2017



## DIRECTORS' REPORT

The Members,

### PCS TECHNOLOGY LIMITED

Your Directors of the Company are pleased to present you the 36th Annual Report of the Company along with the statement of Audited Financial Statements for the financial year ended 31st March 2017.

### FINANCIAL RESULTS

Key highlights of standalone Financial Results of the Company for the financial year 2016-17 are tabulated below:

(₹ In lakhs)		
Particulars	Financial Year ended 31.03.2017	Financial Year ended 31.03.2016
Net sales and services	2,585	6,323
Gross Profit	628	814
Depreciation	106	111
Profit for the year from Operations	522	703
Corporate Social Responsibility Expense	10	5
Provision for Taxation (Net)	97	140
Profit for the year / available for Appropriation	415	558
Balance of Profit/(Loss) available in Balance Sheet	2,406	1,983

### OPERATIONS

During the year under review, your Company has achieved Net Sales of Rs. 2585 lakhs as against Rs. 6323 lakhs in the previous year.

In the current year, the Company maintained existing IT and facility management service contracts. However, due to high servicing costs in IT technological changes, the Company did not enter for the new orders. Although this had the impact on the total sales and services during the current financial year, the Company has maintained the Profitability by optimization of existing resources.

Adequacy of Internal Financial Control: The Company has in place adequate internal control procedures commensurate with the size of the Company and the nature of its business.

### EXTRACTS OF ANNUAL RETURN

In accordance with sub-section (3) of Section 92 in the Form MGT 9 of the Companies Act, 2013, an extracts of the Annual Return in prescribed format is annexed and marked as **Annexure 1** to the Board's Report.

### DIVIDEND

In order to conserve the resources of the Company, your Directors express their inability to recommend any dividend for the financial year ended 31st March 2017.

### RESERVES

Since the Company do not recommend any dividend, it is not required to transfer any amount to the General Reserve of the Company for the year under review.

### MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITIONS OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.

### ANNUAL PERFORMANCE EVALUATIONS

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/ Committee Governance.

Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non-Executive Directors

The criteria for performance evaluation as laid down by the Nomination Committee, and are mentioned in Corporate Governance attached to the Directors' Report of the Company.

### DIRECTORS

#### Retirement by Rotation

As per Article 135, of the Articles of Association of the Company, Mr. G. K. Patni (Din- 00014163), Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment on the Board of your company.

#### Appointment

As the term of tenure of Mrs. Vandana Gupta (Din: 07117752) had expired on 15<sup>th</sup> March, 2017, she has been re- Appointment as an Independent Director of the Company by Board on recommendation of Nomination and Remuneration Committee for further period of 5 (five) years up to 15th March, 2022, not liable to retire by rotation.

#### Cessation

Mr. D.B Engineer, (Din no: 00047028) , Director of the Company expired as on 30th May, 2016.

# PCS TECHNOLOGY LIMITED

We condole the untimely demise of Mr. D.B Engineer and took on record the invaluable contributions made by him during his tenure as the Director towards the progress of the Company

## Declaration given by Independent Director

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013, that he/she meets criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Board and Audit Meetings

During the year under review, four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes including independence of a directors of the Company.

The Remuneration Policy is stated in the Corporate Governance Report.

## COMMITTEES OF THE BOARD

Currently, the Board has four Committees, the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee (CSR Committee). The Composition of each of the committee is mentioned in the **Annexure 2** of the Boards' Report.

## STATUTORY AUDITOR

In view of Completion of three years Audit period of M/s. S.C Bandi & Co., Chartered Accountants at the 36th Annual General Meeting, your Directors at its Board meeting held on 10th August, 2017 appointed M/s. Vinod K. Mehta & Co., Chartered Accountant (Firm Registration No. 111508W) as Statutory Auditors of the Company for a term of 5 years pursuant to the Amended provisions of the Companies Act, 2013 from the conclusion of 36th Annual General Meeting. Your Directors recommend appointment of M/s. Vinod K. Mehta & Co., Chartered Accountants as Statutory Auditor of the Company at the 36th Annual general Meeting.

## SECRETARIAL AUDITOR

Mr. Bhavesh Desai of M/s. B. Desai & Associates, Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2016-17 as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit report for FY 2016-17 forms part of the Annual report as **Annexure 3** to the Board's Report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (3C) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby confirms that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
2. Appropriate accounting policies have been selected and applied consistently and have 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 as at 31st March, 2017 and of the profit of the company for the said year;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. Annual Accounts have been prepared on a going concern basis.
5. Internal Financial controls are followed by the Company in adequate manner and are operating effectively.
6. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

In view of the provisions relating to CSR contained in new Companies Act, 2013, the Board of Directors of your Company has set up a CSR Committee comprising four directors viz. Mr. G M Dave, a Non-Executive Independent Director, Mr. G. K. Patni, Non-Executive Director, Mr. A. K. Patni, Non-Executive Director and Mr. H. C. Tandon, Managing Director and CEO of the Company. The Committee will oversee and monitor its CSR activities in line with the CSR policy of the Company in compliance with the provisions of the Companies Act, 2013

CRS has been integral part of the Company. The CSR policy on the Company is displayed on Company's website [www.pcstech.com](http://www.pcstech.com). CSR report along with the CSR activates are annexed herewith in the report and marked as **Annexure 4**.

Initiations taken by Company for CSR :

The Balance amount of Rs. 24,42,271 (Rupees Twenty Four Lakhs Forty Two Thousand Two Hundred and Seventy one only) will be contributed by the Company in the next financial year 2017-18

## CORPORATE GOVERNANCE

A report on Corporate Governance and Management Discussion Analysis is included as a part of the Annual Report along with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Regulation 27 of SEBI (LODR) Regulation, 2015. Corporate Governance report annexed herewith and marked as **Annexure 5**.



# THIRTY SIXTH ANNUAL REPORT 2016-2017



## SUBSIDIARY COMPANY

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies for the financial year ended 31st March 2017 of PCS Technology USA., INC, PCS Positioning Systems (India) Limited and PCS Infotech Limited in Form AOC-1 is annexed and marked as **annexure-6(A)** of the Annual Report.

In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its audited financial statements together with related information and other reports of each of the subsidiary companies, have also been placed on the website of the Company at [www.pcstech.com](http://pcstech.com)

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 of the Annual Report is annexed and marked as **Annexure- 6(B)**.

## DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has put in place a Policy on Prevention of Sexual Harassment in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

Internal Complaints Committee (ICC) has been set up to redress complaints, if any, received regarding sexual harassment. All employees whether permanent, contractual, temporary, etc have been covered under this Policy.

The Policy is gender neutral. During the year under review, no complaints alleging sexual harassment were received by the Company.

## RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and pursuant to Regulation 23 of securities and exchange board of India (listing obligations and disclosure requirements) regulations, 2015 during the financial year were in compliance to the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

## DEPOSITS

Your Company has neither invited nor accepted any deposits from the public so far.

## CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Code has been posted on the Company's website [www.pcstech.com](http://www.pcstech.com). The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## CONSOLIDATED FINANCIAL STATEMENT

The consolidated Financial Statements have been prepared in accordance with the provisions of Section 129 of the Companies Act, 2013, applicable Accounting Standards and the provisions of the Listing Agreement with Stock Exchange and forms part of this Annual Report.

## PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel ) Rules , 2014 is appended as **Annexure 7** to the Board's Report.

During the financial year, there were no employees drawing remuneration in excess of the monetary ceiling prescribed under Section 197 read with Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

The Information required under the above heads in accordance with the provision of section 134(3) (m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are given in **Annexure '8'** to this report.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees given and Investments made during the year under review under Section 186 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this report and marked as **Annexure 9**.

## ACKNOWLEDGEMENTS

Your Directors express their warm appreciation to all the employees at various units for their diligence and contribution made towards the growth of the Company. The Board of Directors place on record their appreciation for the un-stinted support by the Bankers and Financial Institutions and confidence given by the Customers, Suppliers and Shareholders at all levels towards the growth and development of the Company.

On behalf of the Board of Directors

**G.K. Patni**  
Chairman

Mumbai, August 10, 2017

# PCS TECHNOLOGY LIMITED

Annexure 1

## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

#### I. REGISTRATION & OTHER DETAILS:

CIN	L74200MH1981PLC02429
Registration Date	22/04/1981
Name of the Company	PCS Technology Limited
Category/Sub-category of the Company	Computer Software, Information Technology & Information Technology Enabled Services
Address of the Registered office & contact details	Office no.1, Gat no.478, Alandi Markaal Road, Tal. Khed, Alandi, Dist – Pune- 412106. Tel : 2822621/2562 22882135/1099, 020-26681619
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Bigshare Services Private Limited E- 2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072. Tel.: 2847 0652 / 0653, 4043 0200 Fax: 022-2847 5207

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Computer software and related Activities	6202	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	PCS Positioning Systems(I) Ltd. Add:-S. No.1, F-1, Irani Market Compound, Yerawada, Pune 411 106	U72900PN2004PLC019448	Subsidiary (WOS)	100%	2(87)
2	PCS Infotech Ltd Add:-S. No.1, F-1, Irani Market Compound, Yerawada, Pune 411 106	U72900PN2012PLC145598	Subsidiary (WOS)	100%	2(87)
3	PCS Technology USA., INC Add:-6705 Shadow Oaks Ct, Monmouth Jct, NJ 08852	Foreign Company	Subsidiary (WOS)	100%	2(87)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	1656425	-	1656425	7.91%	1656425	-	1656425	7.91%	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	5704679	-	5704679	27.23%	5704679	-	5704679	27.23%	-
(e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(f) Director/ Relatives	7337707	1184	7338891	35.03%	7337707	1184	7338891	35.03%	-
(g) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total A(1)</b>	<b>14698811</b>	<b>1184</b>	<b>14699995</b>	<b>70.17%</b>	<b>14698811</b>	<b>1184</b>	<b>14699995</b>	<b>70.17%</b>	<b>-</b>
<b>(2) Foreign</b>									
(a) Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-