

PDS

MULTINATIONAL
"Global Fashion Manufacturing & Sourcing"

7th Annual Report 2017-18



PDS MULTINATIONAL FASHIONS LIMITED

Corporate Information

Board of Directors

Mr. Deepak Seth	-	Chairman
Mr. Pallak Seth	-	Vice-Chairman
Mrs. Payel Seth	-	Managing Director
Dr. Ashutosh Prabhudas Bhupatkar	-	Independent Director
Mr. Ashok Kumar Chhabra	-	Independent Director
Mr. Ashok Kumar Sanghi	-	Independent Director

Chief Financial Officer

Mr. Omprakash Makam S. Setty

Company Secretary

Mr. B. Chandra Sekhara Reddy

Audit Committee

Dr. Ashutosh Prabhudas Bhupatkar	-	Chairman
Mr. Deepak Seth	-	Member
Mr. Ashok Kumar Sanghi	-	Member
Mr. Ashok Kumar Chhabra	-	Member

Nomination and Remuneration Committee:

Mr. Ashok Kumar Sanghi	-	Chairman
Mr. Ashok Kumar Chhabra	-	Member
Dr. Ashutosh Prabhudas Bhupatkar	-	Member

Stakeholders Relationship Committee:

Mr. Ashok Kumar Chhabra	-	Chairman
Mr. Deepak Seth	-	Member
Mr. Ashok Kumar Sanghi	-	Member

Auditors

M/s S. R. Dinodia & Co. LLP
Chartered Accountants
K-39, Cannaught Place
New Delhi - 110001

Registered Office:

No. 758 & 759, 2nd Floor, 19th Main,
HSR Layout, Sector-II,
Bengaluru-560102
Karnataka, India

Bankers

Axis Bank
HSBC Bank

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Proxy Form

PDS MULTINATIONAL FASHIONS LIMITED

Registered Office: No. 758 & 759, 2nd Floor, 19th Main, HSR Layout, Sector-II, Bengaluru-560102

Tel: 080-67653000, **Website:** www.pdsmultinational.com; **E-mail:** investors@psdmultinational.com

CIN: L18101KA2011PLC094125

NOTICE TO MEMBERS

Notice is hereby given that the 7th Annual General Meeting of the Members of PDS Multinational Fashions Limited, will be held on Friday, 21st day of September, 2018 at 11:30 A.M. at Sheraton Grand Bangalore Hotel at Brigade Gateway, 26/1, Dr. Rajkumar Road, Malleswaram, Rajajinagar, Bengaluru - 560055, Karnataka, India, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company prepared as per Indian Accounting Standard ("Ind-AS") on Standalone and Consolidated basis, for the financial year ended 31st March, 2018 including the Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Deepak Seth (DIN: 00003021), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To approve the payment of remuneration to Mrs. Payel Seth, Managing Director of the Company for the period from 1st April, 2018 to 31st October, 2018 and in this regard, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Pursuant to the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments for time being in force) and subject to the approval of the Central Government, if necessary, and such other approvals, permissions, and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, the consent of the Members of the Company be and is hereby accorded to pay below remuneration to Mrs. Payel Seth (DIN: 00003035), Managing Director for her remaining tenure i.e. from 1st April, 2018 to 31st October, 2018, with liberty to the Board of Directors to alter and vary the terms and conditions, not exceeding the limits specified under the Act or any statutory modification or re-enactment thereof:

Salary : INR 36 lacs Per annum (₹ 3 lacs per month)
 Reimbursement : Expenses incurred for the traveling,
 of Expenses : boarding lodging for business trips and
 mobile/telephone expenses for official
 purpose shall be reimbursed on actual and
 not be considered as part of Salary.
 Provident Fund : As per Company's rules
 & Gratuity
 Car : A Company maintained car for official
 purpose

RESOLVED FURTHER THAT if the Company has no profits or inadequate profits in any financial year, the above remuneration will be considered and shall be paid to Mrs. Payel Seth as a minimum remuneration, pursuant to the provisions of and ceiling limit prescribed under Section II of Part II of Schedule V of the Companies Act, 2013, subject to the approval of the Central Government, if required.

RESOLVED FURTHER THAT Mrs. Payel Seth will not be paid any sitting fees for attending the meetings of the Board of Directors or any Committee thereof so long as she functions as the Managing Director of the Company.

RESOLVED FURTHER THAT for purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

4. To re-appoint Dr. Ashutosh Prabhudas Bhupatkar (DIN: 00479727) as an Independent Director and in this regard, pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of the Section 149, 152 r/w Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modifications or re-enactments thereof, for the time being in force), Dr. Ashutosh Prabhudas Bhupatkar (DIN: 00479727), who was appointed as an Independent Director and who holds office as an Independent Director upto 31st March, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years from 1st April, 2019 to 31st March, 2024."

5. To re-appoint Mr. Ashok Kumar Chhabra (DIN: 06869497) as an Independent Director and in this regard, pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of the Section 149, 152 r/w Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modifications or re-enactments thereof, for the time being in force), Mr. Ashok Kumar Chhabra (DIN: 06869497), who was appointed as an Independent Director and who holds office as an Independent Director upto 31st March, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years from 1st April, 2019 to 31st March, 2024."

6. To re-appoint Mr. Ashok Kumar Sanghi (DIN: 00011207) as an Independent Director and in this regard, pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of the Section 149, 152 r/w Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any statutory modifications or re-enactments thereof, for the time being in force), Mr. Ashok Kumar Sanghi (DIN: 00011207), who was appointed as an Independent Director and who holds office as an Independent Director upto 31st March, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years from 1st April, 2019 to 31st March, 2024.

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

"RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder (including any statutory modifications or re-enactments thereof, for the time being in force), upon receipt of a request from a member for delivery of any document through a particular mode, the Company do serve the same to the Member(s) through that particular mode and/ or charge such fees which shall not be more than the amount charged to the Company by the Department of Post or the Service Provider(s) including related handling charges, if any, to deliver the documents in that particular mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member at least 10 days in advance to the Company, before dispatch of such document.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

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

"RESOLVED THAT pursuant to applicable provisions of Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended up to date and the Companies Act, 2013 and all other applicable acts, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force), the aggregate ceiling limit of investment in paid-up equity capital (on fully diluted basis) of the Company by a Non-Resident Indians (NRI) or an Overseas Citizen of India (OCI), be and is hereby increased from 10% to 24% of the paid-up equity capital (on fully diluted basis) of the Company on subject to all applicable approvals/permissions, if any, from Foreign Investment

Promotion Board, the Reserve Bank of India, Ministry of Corporate Affairs or any other concerned Statutory Authority and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals/permissions.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including without limitation, intimating the Reserve Bank of India of the increase of aggregate ceiling limits applicable to NRI/OCI and to comply with all other requirements in this regard."

By order of the Board of Directors
For **PDS MULTINATIONAL FASHIONS LIMITED**

Place: Gurugram
Date: 9th August, 2018

(B. Chandra Sekhara Reddy)
Company Secretary

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
- A proxy form is enclosed with this Notice. Proxies, in order to be effective, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the AGM. Proxies submitted on behalf of companies, societies, etc. must be supported by appropriate resolution or authority, as applicable. Revenue stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy form, for identification purposes.
- Members/Proxies are requested to bring their attendance slip to the Meeting and are requested not to bring any article, briefcase, hand bag, carry bag etc., as the same will not be allowed to be taken inside the meeting place for security reasons. Further, the Company or any of its officials shall not be responsible for their articles, bags etc., being misplaced, stolen or damaged at the Meeting place.
- Members/proxies/authorised representatives are requested to bring duly filled Attendance Slip, enclosed herewith, to attend the AGM along with a valid identity proof such as the PAN card/passport/AADHAAR card/driving license etc.
- Members/Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those hold shares in Physical forms are requested to write

their Folio Number in the attendance slip for attending the meeting.

5. The statement pursuant to section 102 of the Companies Act, 2013 (the Act) is annexed hereunder and forms part of the Notice. As required under Secretarial Standard-2 and regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 (Listing Regulations), the relevant information of directors is enclosed as Annexure 1.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Corporate members intending to send their authorised representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 15th day of September, 2018 to 21st day of September, 2018 (both days inclusive).
9. The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permits Companies to send soft copies of the annual report to all those shareholders who have registered their email address with the Company/RTA/depository Participants. To support this green initiative, the shareholders holding shares both in physical/demat form are requested to register/update their email address with the Company/RTA/Depository Participants. Accordingly, the Annual Report for 2017-18, Notice for annual general meeting etc., are being sent in electronic mode to those shareholders who have registered their email address with the Company/RTA/Depository Participant. For those shareholders who have not opted for the above, the same are being sent in physical form.
10. Members may please note that Securities and Exchange Board of India ("SEBI") has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) as well as transferor(s) to furnish copy of PAN card to the Company/Share Transfer Agents for registration of such transfer of shares. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) deletion of name of the deceased shareholder(s), (ii) transmission of shares to the legal heir(s) and (iii) transposition of shares.

SEBI has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated 8th June, 2018 and mandated that transfer of securities would be carried out in dematerialized form only w.e.f. 5th December, 2018. Therefore, members are advised to dematerialize shares held by them in physical form for effecting transfers in dematerialized form only post 5th December, 2018. Please refer investor FAQ's page (Dematerialisation of shares) on our website www.pdsmultinational.com.
11. Pursuant to SEBI circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, all the listed Companies are

directed to record the PAN and BANK ACCOUNT details of all shareholders holding shares in physical mode through their Registrar and Share Transfer Agent ("RTA"). Accordingly, the Company has initiated steps and has sent initial letter along with KYC forms through its RTA to its shareholders holding shares in physical mode for registering their PAN and Bank Account details (including joint holders, if any). The shareholders are requested to utilize this opportunity for updating PAN and/or Bank details with the RTA.

12. All relevant documents referred to in the accompanying notice and explanatory statement are available for inspection at the Registered office of the Company during working hours upto the date of Annual General Meeting.
13. Annual Report of the Company circulated to the members of the Company is also available on the Company's website www.pdsmultinational.com.
11. **NO GIFT(S) SHALL BE DISTRIBUTED AT THE ENSUING 7TH ANNUAL GENERAL MEETING OF YOUR COMPANY.**
12. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote at the 7th Annual General Meeting (AGM) by electronic means and the business contained herein may be transacted through e-voting Services provided by Central Depository Services India Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, 18th September, 2018 at 09:00 AM (IST) and ends on Thursday, 20th September, 2018 at 05:00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date ("record date") of 14th day of September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/Members.
- (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 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. or
Dividend Bank Details	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"> Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (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 Electronic Voting Sequence Number (EVSU) for the relevant Company Name viz. "PDS MULTINATIONAL FASHIONS 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 same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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 Corporates.
 - 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 a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - 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.
- (xix) 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 Apple store and Windows store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date/record date i.e. 14th September, 2018 may follow the same instructions as mentioned for e-voting.
- (xxi) 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.
- II. Mr. R. Hariprasad Reddy, Practicing Company Secretary (Membership No. FCS 8477) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- III. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IV. The Results shall be declared on or after the AGM of the Company. The Results declared along-with the Scrutinizer's Report shall be placed on the Company's website www.pdsmultinational.com and on the website of CDSL i.e. www.evotingindia.com within two(2) days of passing of the resolutions at the AGM of the Company

and communicated to the BSE Limited and National Stock Exchange of India Limited.

EXPLANATORY STATEMENT:

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out the material facts relating to the businesses under Item Nos. 3 to 8 of the accompanying Notice.

Item No. 3:

Mrs. Payel Seth was appointed as a Managing Director of the Company w.e.f. 1st June, 2014 for a period of 5 years i.e. upto 31st May, 2019 and her remuneration was approved for period of 3 years w.e.f. 1st April, 2015 to 31st March, 2018 by the Members of the Company.

Pursuant to the provisions of the Section 197 r/w Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and on recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on 14th February, 2018 has approved the below remuneration of Mrs. Payel Seth for the remaining period (1 year and 2 months) of her tenure w.e.f. from

the 1st April, 2018 to 31st May, 2019, whereas, subsequent to the approval of remuneration by Nomination and Remuneration Committee and Board, Mrs. Payel Seth has submitted her resignation letter on 9th August, 2018 by serving three (3 months) notice, from the position of Managing Director with effect from 1st November, 2018 but she will continue as Non-Executive Director of the Company. The Board has accepted her resignation from position of Managing Director and approved her remuneration for the period 1st April, 2018 to 31st October, 2018 i.e. for seven (7) months subject to the approval of the Members in this Annual General Meeting.

Salary	: INR 3 lacs Per Month
Reimbursement of Expenses	: Expenses incurred for the traveling, boarding lodging for business trips and mobile/ telephone expenses for official purpose shall be reimbursed on actual and not be considered as part of Salary.
Provident Fund & Gratuity	: As per Company's rules.
Car	: A Company maintained car for official purpose.

The Statement pursuant to Section II of Part II of Schedule V of the Companies Act, 2013:

I. General information:		
Nature of industry	PDS Multinational Fashions Limited is engaged in the business of manufacturing, trading, designing, sourcing and distribution of Readymade Garments to its customers worldwide. Textile Industries plays a major role in the economy of the country. Indian textile industry is the largest in the country in terms of employment generation. There are various international brands which source readymade garments from the Indian markets.	
Date or expected date of commencement of commercial production	Not Applicable	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
Financial performance based on given indicators	Particulars	For the year ended 31st March, 2018 Amount (Rs. in Lacs)
	Revenue from operations	1,819.41
	Other income	686.18
	Total income	2,505.59
	Employee benefits expense	1,036.22
	Finance costs	240.98
	Depreciation and amortization expense	229.98
	Other expenses	564.79
	Total expenses	2,071.98
	Profit before Tax	433.62
	Tax expense	61.14
	Profit for the year	372.48
Foreign investments or collaborations, if any.	The Company has no foreign collaboration. The Company has 100% investment in Multinational Textiles Group Limited, a wholly owned subsidiary Company in Mauritius.	

II. Information about Mr. Payel Seth:	
Background details	Mrs. Payel Seth, 60 years, graduated from the Pearl Academy of Fashion in July 1996. She is associated with the group as a Promoter Director since incorporation and having rich experience in designing and retailing in Indian and Western Garments, Jewellery and Accessories. She is Entrepreneurial by nature and has utilized her skills in field of Designing, General Management, Sales and Marketing/Business Development and Change Management for development of the organization. Her retail initiative includes the establishment of a retail stores in India. She has also been actively involved in the education and Corporate Social Responsibility (CSR) initiatives of the Group.
Past remuneration	INR 36 lacs for FY 2017-18
Recognition or awards	Nil
Job profile and her suitability	Mrs. Payel Seth, Managing Director plays a major role in providing thought leadership and strategic inputs to the Company and also perform such other duties and services as shall from time to time be entrusted to her by the Board of Directors of the Company. Considering the contribution, the Board considered her suitable for this position.
Remuneration proposed	Salary: INR 3.00 Lacs per month. Reimbursement of Expenses: Expenses incurred for the traveling, boarding lodging for business trips and mobile/telephone expenses for official purpose shall be reimbursed on actual and not be considered as part of Salary. Provident Fund & Gratuity: As per Company's rules Car: A Company maintained car for official purpose.
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 with respect to the country of her origin)	The remuneration payable to the Mrs. Payel Seth has been benchmarked with the remuneration being drawn by similar positions in Garment industry and has been considered by the Nomination and Remuneration Committee of the Company.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. Deepak Seth, Director being husband and Mr. Pallak Seth, Director being son are relatives of Mrs. Payel Seth. Mrs. Payel Seth has no pecuniary relationship directly or indirectly with the Company except to the extent of her remuneration and shareholding of 1,38,75,242 equity shares in the Company.
III. Other information:	
Reasons of loss or inadequate profits	The Revenues of the Company has increased compared to last year but the profitability was impaired due to less margins in sourcing services coupled with initial losses in manufacturing business and increased compliance & administrative cost.
Steps taken or proposed to be taken for improvement	The Company has taken necessary steps to improve the profitability by reducing the cost and improving performance and margins. The Company has also embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position.
Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
IV. Disclosures:	
Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2017-18: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2017-18 of the Company.	

Mrs. Payel Seth has attended 2 meetings of Board during the year. She holds directorship on the board of Pearl Apparel Fashions Limited (excluding Foreign Companies Bodies Corporate, Private Companies and Companies under Section 8 of the Companies Act, 2013) and she does not hold position of chairperson/member in any committees.

None of the Directors, except herself, Mr. Deepak Seth and Mr. Pallak Seth being relatives, are interested, whether directly or indirectly, in this Resolution.

The Board recommends the Ordinary Resolution set out at the Item No. 3 of the Notice for approval by the Shareholders.

Item No. 4:

Dr. Ashutosh Prabhudas Bhupatkar (DIN: 00479727) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to 31st March, 2019 ("First Term").

The Board on the basis of performance evaluation and as per the recommendation of the Nomination and Remuneration Committee considers his background and experience and contributions made by him during his tenure, the continued association of Dr. Bhupatkar would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Dr. Bhupatkar as an Independent Director of the Company, not liable to retire by rotation, for a second term of the 5(five) consecutive years with effect from 1st April, 2019, on the Board of the Company.

Dr. Bhupatkar is not disqualified from being appointed as a Director in terms of Section 164 of the Act, and has given his consent to act as Independent Director.

The company has also received declaration from Dr. Bhupatkar that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 ("the Act") and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, in the opinion of the Board, Dr. Bhupatkar fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as an Independent Director and that he is independent of the management of the Company.

Details of Dr. Bhupatkar, are provided in "Annexure-1" to the Notice. He shall be paid remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board or Committees thereof and reimbursement of expenses for participation in the Board.

Copy of the draft letter for appointment of Dr. Bhupatkar as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Save and except Dr. Bhupatkar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at the Item No. 4 of the Notice.

This disclosure may be regarded as an appropriate disclosure under the Act and Listing Regulations.

The Board recommends the Special Resolution set out at Item no. 4 of the Notice for the approval of the Members.

Item no. 5

Mr. Ashok Kumar Chhabra (DIN: 06869497) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to 31st March, 2019 ("First Term").

The Board on the basis of performance evaluation and as per the recommendation of the Nomination and Remuneration Committee considers his background and experience and contributions made by him during his tenure, the continued association of Mr. Ashok Kumar Chhabra would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Ashok Kumar Chhabra as an Independent Director of the Company, not liable to retire by rotation, for a second term of the 5(five) consecutive years with effect from 1st April, 2019, on the Board of the Company.

Mr. Ashok Kumar Chhabra is not disqualified from being appointed as a Director in terms of Section 164 of the Act, and has given his consent to act as Independent Director.

The company has also received declaration from Mr. Ashok Kumar Chhabra that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 ("the Act") and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, in the opinion of the Board, Mr. Ashok Kumar Chhabra fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as an Independent Director and that he is independent of the management of the Company.

Details of Mr. Ashok Kumar Chhabra, are provided in "Annexure-1" to the Notice. He shall be paid remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board or Committees thereof and reimbursement of expenses for participation in the Board.

Copy of the draft letter for appointment of Mr. Ashok Kumar Chhabra as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Save and except Mr. Ashok Kumar Chhabra and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at the Item No. 5 of the Notice.

This disclosure may be regarded as an appropriate disclosure under the Act and Listing Regulations.

The Board recommends the Special Resolution set out at Item no. 5 of the Notice for the approval of the Members.

Item No.6

Mr. Ashok Kumar Sanghi (DIN: 00011207) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to 31st March, 2019 ("First Term").

The Board on the basis of performance evaluation and as per the recommendation of the Nomination and Remuneration Committee considers his background and experience and contributions made by him during his tenure, the continued association of Mr. Ashok Kumar Sanghi would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Ashok Kumar Sanghi as an Independent Director of the Company, not liable to retire by rotation, for a second term of the 5(five) consecutive years with effect from 1st April, 2019, on the Board of the Company.

Mr. Ashok Kumar Sanghi is not disqualified from being appointed as a Director in terms of Section 164 of the Act, and has given his consent to act as Independent Director.

The company has also received declaration from Mr. Ashok Kumar Sanghi that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 ("the Act") and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, in the opinion of