



PIL ITALICA LIFESTYLE LIMITED

(formerly known as Peacock Industries Limited)

ANNUAL REPORT

2016-2017

BOARD OF DIRECTORS

Daud Ali	Managing Director
Narendra Bhanawat	Whole Time Director and Chief Financial Officer
Magan Lal Sharma	Director
Mukesh Kumar Kothari	Director
Mrs. Namrata Babel	Director
Mr. Ram Swaroop Sodani	Director

COMMITTEE OF THE BOARD

AUDIT COMMITTEE

Magan Lal Sharma	Chairman
Mukesh Kumar Kothari	
Mrs. Namrata Babel	
Mr. Ram Swaroop Sodani	

NOMINATION AND REMUNERATION COMMITTEE

Magan Lal Sharma	Chairman
Mukesh Kumar Kothari	
Mrs. Namrata Babel	
Mr. Ram Swaroop Sodani	

STAKEHOLDERS RELATIONSHIP COMMITTEE

Magan Lal Sharma	Chairman
Mukesh Kumar Kothari	
Mrs. Namrata Babel	
Mr. Ram Swaroop Sodani	

AUDITORS

M/s Ajay Paliwal & Co.
Chartered Accountants

COMPANY SECRETARY

Aditi Parmar

BANKERS

ICICI Bank Limited
YES Bank Limited
IDBI Bank

REGISTERED OFFICE & WORKS

Kodiyat Road,
Village : Sisarma
District : Udaipur (Raj.) 313031

INVESTOR QUERIES

email:investor@italicafurniture.com

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Important Communication to Members

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

DIRECTORS' REPORT

To The Members of PIL ITALICA LIFESTYLE LIMITED

(formerly known as Peacock Industries Limited)

The Directors of your Company have pleasure in presenting their Twenty Fifth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2017.

1. FINANCIAL RESULTS

Your Company's performance during the year as compared to the previous year is summarised below :

(Rs. in Lakhs)		
Particulars	2016-2017	2015-2016
Turnover	5837.03	4250.35
Other Income	188.18	134.85
Profit/(Loss) before Tax, interest and Depreciation and exceptional items	284.79	110.36
Interest	52.09	29.02
Depreciation	30.87	41.37
Profit/(Loss) before Tax and exceptional items	201.83	39.97
Less: Provision for Tax	0	0
Profit/(Loss) after Tax	201.83	39.97
Exceptional items	711.85	0
Profit/(Loss) after Tax and exceptional items	913.68	39.97
Surplus carried from Previous year	(2763.94)	(2803.91)
Balance carried to Balance Sheet	(1850.26)	(2763.94)

2. DIVIDEND

Based on Company's performance, the Directors are unable to recommend dividend due to inadequate profits.

3. STATE OF COMPANY'S AFFAIRS

The Company is engaged in the manufacturing of plastic moulded furniture and is one of the top most leading manufacturers in Rajasthan. The company also commenced its Trading segment from 01.07.2016. During the financial year 2016-17, your Company recorded a turnover of Rs. 5837.03 Lakhs in comparison to previous year i.e. Rs. 4250.35 Lakhs registering a growth of 37.33 % over the previous year. Profit after Tax (before Exceptional Items) increased by Rs. 181.85 Lakhs and the company earned a cash profit of Rs. 232.70 Lakhs in comparison to previous year i.e. Rs. 81.34 Lakhs. The increase in profits of the Company is due to higher margin in manufactured goods in comparison to previous year and trading activities.

As per the revival scheme sanctioned by BIFR, Company booked waiver of Principal dues and the same is shown under the head Exceptional items. The revival scheme sanctioned by BIFR is under implementation.

The company's net worth stood positive in the year 2017 due to increase in profits and amount received in respect of allotment of convertible warrants and partly conversion of warrants into equity shares.

The Management is taking every possible step to streamline its operations and to put the Company on growth.

4. SHARE CAPITAL

During the year under review, the company Subdivided its existing equity shares from One equity share of Rs.4/- each into Four equity shares of Re.1/- each. Consequent upon the sub division, the authorized share capital was Rs. 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 25,00,00,000 (Rupees Twenty Five Crore) Equity Shares of Re.1/- (Rupee One) each and Paid up capital of the Company was Rs. 21,00,00,000/- (Rupees Twenty One Crore Only) divided into 21,00,00,000 (Rupees Twenty One Crore) Equity Shares of Re.1/- (Rupee One) each. During the year company has issued 25000000 warrants convertible in to equity shares of Re. 1 each at a premium of Rs. 14 each. Out of this 25000000 warrants 7800000 were converted in equity shares during the year and 17400000 warrants are pending for conversion in to equity shares as at 31.03.2017.

The issued, subscribed and paid up capital of the Company increased from Rs. 21,00,00,000/- (Rupees Twenty One Crore Only) divided into 21,00,00,000 (Rupees Twenty One Crore) Equity Shares of Re.1/- (Rupee One) each to Rs. 21,78,00,000/- (Rupees Twenty One Crore Seventy Six Lakhs Only) divided into 21,78,00,000 (Rupees Twenty One Crore Seventy

Six Lakhs) Equity Shares of Re.1/- (Rupee One) each with the allotment of 78,00,000 Equity Shares of Re. 1/- each at a premium of Rs. 14/- per share consequent upon conversion of 78,00,000 warrants into equal number of equity shares. The BSE Limited and National Stock Exchange of India Limited has issued listing and trading approvals.

5. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statement relate and the date of report.

6. CHANGES IN THE NATURE OF BUSINESS

During the year the company entered into new line of business i.e. Non specialized Wholesale Trade. The company commenced its Trading segment from 01.07.2016. The Net Revenue of trading segment for the year ended on 31.03.2017 was Rs. 2184.80 .

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

CONSERVATION OF ENERGY

The Company uses energy for its office equipment such as computers, lighting and utilities at its work premises. As an ongoing process the following measures are undertaken to conserve energy:

- Implementation of viable energy saving proposals.
- Installation of automatic power controllers to save maximum charges and energy.
- Awareness and Effective measures have been taken to minimize the lossess of energy as far as possible.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

The Company is investing to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. The Company has implemented best applications to manage its business processes by implementing best business practices and new schemes in market. The Company's investment in technology has improved product quality, diversity in products available to customers, reduced operational cost and development of new business opportunities.

The Company does not have a separate Research and Development activity. The Company has not imported any technology.

FOREIGN EXCHANGE EARNING AND OUT GO

During the year under review, the foreign exchange earnings was Rs. 2,88,299/- (previous yr Rs. 3,98,107/-) calculated at F.O.B. value. The Company is making continuous efforts to explore new foreign markets and to enlarge its market of exports. Outgo in foreign exchange was NIL (previous yr NIL)

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134 sub-section (3) clause (c) of the Companies Act, 2013, it is stated that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to the material departures ;
- the directors had selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) DIRECTORS :

In terms of the Articles of Association of the Company, Mr. Magan Lal Sharma (DIN: 00250883) and Mukesh Kumar Kothari (DIN: 03103336), Directors, retire at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. Mr. Mukesh Kumar Kothari being eligible, has offered himself for reappointment. The Company has received requisite notice in writing from member proposing Mr. Magan Lal Sharma for appointment as an Independent Director. Your Directors recommend the proposed reappointment. The details of Director being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company.

The Company has received necessary declaration from the Independent Directors of the Company under Section 149(8) of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided therein.

b) KEY MANAGERIAL PERSONNEL:

During the year under review, there was no change in the Key Managerial Personnel of the Company.

The tenure of Mr. Daud Ali (DIN:00185336) as Managing Director of the Company will expire on 31.03.2018. The Board recommended the reappointment of Mr. Daud Ali as Managing Director for a period of three (3) years with the effect from 01.04.2018, subject to the approval of the shareholders.

10. POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION AND OTHER DETAILS

The Company has in place the Nomination and Remuneration Committee. The Company has formulated the Nomination and Remuneration Policy on directors' appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of director. The details of this policy are available on the Company's website i.e. www.italicafurniture.com.

11. DEPOSITS

The Company has not accepted any Deposit within the meaning of Section 73 of the Companies Act, 2013 and rules made there under as such, nor there is any deposit in non-compliance of Chapter V of the Companies Act, 2013.

12. NUMBER OF MEETINGS OF THE BOARD

Number of meetings of the Board during the year were Nine (09) held on 27.05.2016, 09.08.2016, 03.08.2016, 25.10.2016, 14.11.2016, 05.12.2016, 15.12.2016, 14.02.2017 and 11.03.2017.

13. RISK MANAGEMENT

The Company has laid down the procedures to inform to the Board about the Risk assessment and risk minimization procedures. Your Company believes that managing risks helps in maximizing returns. The risk management plan is reviewed periodically by the Board and the Audit Committee. Some of the risks that the Company is exposed to are: Financial Risks, Raw Material Price Risks, Regulatory Risks, Human Resources Risk, Strategic Risks.

14. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the year, Eduvisor Services Private Limited became the wholly owned subsidiary of the company and was ceased within the year. As at 31st March, 2017, The Company does not have any Subsidiary, Joint Venture and Associate Company.

15. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

16. STATUTORY AUDITORS AND AUDIT REPORT

M/s. Ajay Paliwal & Co., Chartered Accountants, Udaipur (ICAI FRN:012345C) have been appointed as Auditors of the Company to hold the office from the conclusion of the 24th Annual General Meeting held on 23rd July 2016 until the conclusion of the 29th Annual General Meeting to be held in the financial year 2021-22, subject to ratification of their appointment by the members of the Company at every AGM. Accordingly, being eligible, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting.

The Auditors of the Company have submitted Auditors Report which does not contain any qualification, reservation or adverse remark.

17. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board appointed M/s P. Talesara & Associates, firm of Practising Company Secretaries, Udaipur as Secretarial Auditor to carry out secretarial audit for the financial year 2016-17. The Secretarial Audit Report is attached to this report vide Annexure - 1 forming part of Directors report.

18. EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in form MGT-9 as required under sub section (3) of Section 92 of the Companies Act, 2013, is attached as Annexure 2 and forms an integral part of this Report.

19. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Details regarding internal control system and their adequacy forms part of Management Discussion and analysis report forming part of Directors Report.

20. PARTICULARS OF LOANS GIVEN, INVESTMENT MADE AND GUARANTEES GIVEN AND SECURITIES PROVIDED COVERED UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

In respect of loans, investments, guarantees and securities, the provisions of section 186 of the Companies Act, 2013 of the act have been complied with.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties covered under the provisions of Section 185 of Companies Act, 2013 are given in Notes to financial statements. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the company's website: www.italicafurniture.com.

22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

23. DEPOSITORY SYSTEM

The Company has already entered into agreements with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

24. ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established vigil mechanism policy to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without any fear. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company www.italicafurniture.com.

25. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company does not qualify under the provisions of Section 135 of the Companies Act, 2013. The operating profit is 201.83 Lakhs which is below the threshold limit and exceptional items comprises of waiver of principal loan amount as per the scheme sanctioned by BIFR, which is capital receipt and is not profit under Section 198(3)(c) Companies Act, 2013. Hence the company is not required

to constitute Corporate Social Responsibility committee as it does not fall under the purview of Section 135 of the Companies Act 2013.

26. CORPORATE GOVERNANCE REPORT

Corporate governance report forms an integral part of this report and is enclosed after directors report.

27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is enclosed as Annexure-3 forming part of Directors Report.

28. STATUTORY ORDERS

No significant and material orders were passed by Courts, Tribunals and other Regulatory Authorities affecting the going concern status of the Company's operations.

29. UTILISATION OF FUNDS RAISED FOR PREFERENTIAL ISSUE

The funds raised were fully utilized for investment, repayment of borrowings, working capital etc.

30. ANNUAL PERFORMANCE EVALUATION

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate meeting was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board at its meeting following the meeting of Independent Directors.

31. DISCLOSURE ON THE REMUNERATION OF MANAGERIAL PERSONNEL

During the year under review, no employee of the Company was in receipt of remuneration in excess of the limits prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- 1) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial

year: No remuneration by way of sitting fees and commission paid to Non Executive Directors during the year and hence not comparable. Ratio of remuneration of Executive Directors to median remuneration of employees:

Mr. Daud Ali : 13.02:1 and Mr. Narendra Bhanawat : 1.77:1

- 2) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the financial year 2016-17 :-

Executive Directors, Chief Financial Officer and Company Secretary	% increase/decrease in remuneration 2016-17
Daud Ali	33.33%
Narendra Bhanawat	21.74%
Aditi Pamar	19.80 %

- 3) In the financial year, there was an increase of 35.49 % in the median remuneration of employees.
- 4) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the 1st public offer in the year: The company came out with the IPO in the year 1992. The amount of Rs.590 Lakhs invested in the said IPO would be worth Rs. 3383 Lakhs as on March 31st, 2017 indicating an increase of 470%.
- 5) The company affirms remuneration is as per the remuneration policy of the Company to all the directors, key managerial personnel and other employees.

32. ACKNOWLEDGEMENT

Your Directors express their deep sense of appreciation for the contribution made by the staff, workers and all other employees of the Company for the successful growth in the operations of our business. The Directors also thank the banks, financial institutions, customers, suppliers, shareholders, central and state government authorities etc. for their continuous co-operation and support that contributed in the growth and prosperity of your Company. Your Directors look forward to the continued support of these partners in progress.

For and On behalf of the Board of Directors

Sd/-

DAUD ALI
Managing Director

Sd/-

NARENDRA BHANAWAT
Whole Time Director
and Chief Financial Officer
DIN : 148824

Place : Udaipur
Date : 08.05.2017

DIN : 185338

Annexure 1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

PIL ITALICA LIFESTYLE LIMITED

(Formerly known as Peacock Industries Limited)

CIN : L25207RJ1992PLC008578

Regd. Office: Kadiyat Road, Village Sisarma,

Udaipur, Rajasthan-313031

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PIL ITALICA LIFESTYLE LIMITED (Formerly known as Peacock Industries Limited) (name of the company) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the PIL ITALICA LIFESTYLE LIMITED (Formerly known as Peacock Industries Limited) (name of the company's) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: I have examined the books, papers, minute books, forms and returns filed and other records maintained by PIL ITALICA LIFESTYLE LIMITED (Formerly known as Peacock Industries Limited) ("the Company") for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per Annexure A
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (Not applicable to the company during the audit period)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, ("SEBI Act") 1992:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI (Share based Employees Benefits) Regulations, 2014 (Not applicable to the company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the company during the audit period);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015.

(vi) Other Laws as applicable specifically to the company:

A. Water (Prevention & Control of pollution) Act 1974 and Air (Prevention & Control of Pollution) Act 1981 as certified by the Management.

B. Labour Laws as certified by Internal Auditors in their report for the Period 1st April 2016 to 31st March 2017.

C. Sick Industrial Companies (Special Provisions) Act 1985 as per Note No.34 to Annual Audited Accounts for the year ended 31st March 2017.

D. Negotiable Instruments Act, 1881

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE and NSE Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all the directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for meaningful participation at the meeting. All Decisions at board meeting and Committee meetings have been carried out as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I have relied on the Representation made by the Company and its officers for systems and mechanism formed by the company for compliances under other Acts, laws and Regulations applicable to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise and Customs Act, I have relied on the Reports given by the Statutory Auditors of the Company.

I further report that during the audit period :

i) The company has sub divided Equity shares having face value of Rs. 4 each into 4 equity share of Re. 1 each.

ii) The Company has obtained consent of the members of the company through postal ballot for passing following special Resolutions:

a) Insertion of additional objects in the Main object clause of the Memorandum of Association.

b) Issue of 2,50,00,000 Warrants of Re. one each at a premium of Rs. 14 each with the right to convert each warrant into one equity share of Re.1 each, within 18 months of allotment of warrants.

c) Investment/ Loan to other body Corporate in compliance to Section 188 of The Co. Act, 2013

d) Increase in Remuneration of Managing Director

iii) The company has converted 78,00,000 warrants into 78,00,000 Equity shares of Rs.1 each during the period under audit.

iv) The company is under implementation of revival scheme, as sanctioned by Board for Industrial and Financial Reconstruction.

For P. Talesara & Associates

Company Secretaries

Sd/-

(Pawan Talesara)

Proprietor

FCS No.: 8098, C P No.: 2874

Place: Udaipur (Raj.)

Date: 08.05.2017

This Report should be read with my letter of even date which is annexed as Appendices A and forms an Integral Part of this Report.

Annexure-A : List of Documents verified under Co. Act 2013

1. Memorandum and Article of Association of the Company
2. Annual Return for the Financial year ended 31.03.2017
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination and Remuneration Committee along with Attendance Register maintained during the financial year under Report
4. Minutes of general board meetings held during the financial year under Report
5. All statutory Registers
6. Agenda papers sent for the Board Meetings and Committee Meetings
7. Declaration received from the Directors of the company pursuant to the provisions of section 184 of the companies Act, 2013 and attachments thereto during the financial year under Report.
8. E-Forms filed by the company, from time-to-time, under applicable provisions of the companies Act, 2013 and attachments thereto during the financial year under Report.

Appendices A

To,
The Members,
PIL ITALICA LIFESTYLE LIMITED

My Report of given date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practice I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The compliance of the provision of Corporate and other applicable Laws, rules, regulation and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For P. Talesara & Associates
Company Secretaries

Place: Udaipur (Raj.)

Date: 08.05.2017

Sd/-

(Pawan Talesara)

Proprietor

FCS No.: 8098, C P No.: 2674

Annexure 2

ANNUAL RETURN

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1. CIN	L25207RJ1992PLC008578
2. Registration Date	18.03.1992
3. Name of the Company	PIL ITALICALIFESTYLE LIMITED
4. Type of the Company	Public Company
5. Category/ Sub-Category of the Company	Category: Company Limited by shares Sub-Category : Indian Non Government Company
6. Address of the registered office and contact details	Kodiyat Road, Village: Sisarma, Udaipur- 313031, 0294-2432271/72
7. Whether listed company	
Yes / No	YES
8. Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. E-Mail : rnt.helpdesk@linkintime.co.in Phone : 022-49186270 Fax: 022-49186080

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:-

Sl. No.	Name and description of main products/services	NIC Code of the Product/service (NIC2008)	% to total turnover of the company
1.	Manufacture of furniture primarily of plastic	31004	68 %
2.	Non-specialized wholesale trade	48909	34 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	Name of Company	Address of Company	CIN/GLN	Holding/ subsidiary /associate	% of shares held	Applicable Section
1.	Dawood Investment Private Limited	201, Oasis Park, 40, Ambavgarh Udaipur- 313 004	U65993RJ1991FTC006094	Holding	65.55%	2(46)

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

i) Category-wise Share Holding

Sr. No.	Category of shareholder	No. of shares at the beginning of year (1.04.2016)				No. of shares at the end of year (31.3.2017)				% Change during the year**
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total*	% of Total shares	
(A)	Promoter and Promoter Group									
1	Indian									
(a)	Individuals/Hindu Undivided Family	318200	0	318200	0.15	318200	0	318200	0.15	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0	0	N.A.
(c)	Bodies Corporate	142857200	0	142857200	67.93	142857200	0	142857200	65.55	0
(d)	Financial Institutions/Banks	0	0	0	0	0	0	0	0	N.A.
(e)	Any Other (Total)	0	0	0	0	0	0	0	0	N.A.
	Sub-Total (A)(1)	142973400	0	142973400	68.08	142973400	0	142973400	65.70	N.A.
2	Foreign									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Total)	0	0	0	0	0	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	142973400	0	142973400	68.08	142973400	0	142973400	65.70	N.A.
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/UTI	0	54000	54000	0.03	0	54000	54000	0.03	N.A.
(b)	Financial Institutions/ Banks	2783248	14000	2777248	1.32	1392848	0	1392848	0.64	N.A.
(c)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	N.A.
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	N.A.
(e)	Insurance Companies	0	0	0	0	0	0	0	0	N.A.
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	N.A.
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	N.A.
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	N.A.
(i)	Any other (Total)	0	0	0	0	0	0	0	0	N.A.
	Sub-Total (B)(1)	2783248	68000	2831248	1.35	1392848	54000	1446848	0.67	N.A.
2	Non-institutions									
(a)	Bodies Corporate	21333744	22400	21358144	10.17	20450411	35800	20486011	9.41	N.A.
(b)	Individuals - i. Individual Shareholders Holding Nominal Share Capital Up To Rs. 1 Lakh.	24044144	1002800	25046944	11.93	21948148	1029800	22977748	10.56	N.A.
	Individuals - ii. Individual Shareholders Holding Nominal Share Capital In Excess Of Rs.1 Lakh	17329004	0	17329004	8.25	29307238	0	29307238	13.47	N.A.