

# **ANNUAL REPORT 2016 - 2017**



**TWENTY FIFTH REPORT 2016 - 2017**

**ANNUAL REPORT 2016 -17**

MR. SURENDRA JAIN	-	<b>CHAIRMAN AND WHOLE TIME DIRECTOR</b>
MR. DEVENDRA JAIN	-	<b>MANAGING DIRECTOR</b>
MR. MUKESH JAIN	-	<b>WHOLE TIME DIRECTOR</b>
MR. NITIN DAFRIA	-	<b>INDEPENDENT DIRECTOR</b>
MR. SURAJMAL KUCHERIA	-	<b>INDEPENDENT DIRECTOR</b>
MR. RAMESH C KASHYAP	-	<b>INDEPENDENT DIRECTOR</b>
MRS. RAJNI JAIN	-	<b>INDEPENDENT DIRECTOR</b>

**CHIEF FINANCIAL & CHIEF OPERATING OFFICER**

MR. SHAILESH JAIN - CFO

MR. ATIN JAIN - COO

**COMPANY SECRETARY**

MS. ARWA SAIFEE

**STATUTORY AUDITORS**

ASSG & ASSOCIATES

Chartered Accountants

"Kanti Mansion" 6, Murai Mohalla,  
INDORE – (M.P.)

**BANKERS**

STATE BANK OF INDIA

SME Branch, INDORE – (M.P.)

KOTAK MAHINDRA BANK LTD.

580, M. G. Road, Palasia, INDORE — (M.P.)

**REGISTERED OFFICE & WORKS**

CIN: L34300MP1992PLC006912

Plot No. 209, Sector No. 1,

Industrial Area, Pithampur, (M. P.) 454775

Tel: 07292-405101

Fax: 07292-405120

E Mail: admin@porwalauto.com

www.porwalauto.com

**REGISTRAR AND SHARE TRANSFER AGENT**

Link Intime India Pvt Ltd.

C 101, 247 Park,

LBS Marg, Vikhroli West,

Mumbai 400 083

Tel: +91 22 49186000

Fax: +91 22 49186060

E Mail: prajwal.suvarna@linkintime.co.in

#### NOTICE

Notice is hereby given that Twenty Fifth Annual General Meeting of the members of the Porwal Auto Components Limited will be held on Thursday, the 28th day of September, 2017 at 1.30 PM at the registered office of the company at Plot No. 209, Sector No.1, Industrial Area, Pithampur, Distt Dhar, (M.P.) 454775 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the Financial year ended March 31, 2017.
3. To appoint a Director in place of Mr. Mukesh Jain (DIN- 00245111), who retires by rotation and being eligible, offers himself for re-appointment.

4. **To appoint Statutory Auditor:**

To consider and if thought fit, to pass 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 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), S N GADIYA & CO., Chartered Accountants (ICAI Firm Registration No. 002052C), be appointed as the Statutory Auditors of the Company, in place of the retiring Auditors of the Company ASSG & ASSOCIATES, Chartered Accountants, Indore (ICAI Firm Registration No. 012120C), to hold office for a term of 5 (five) years, from the conclusion of this Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment by the Members at every Annual General Meeting, as may be applicable), at a remuneration to be determined by the Board of Directors of the Company, in addition to out of pocket expenses as may be incurred by them during the course of the Audit.

**FURTHER RESOLVED THAT** approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

#### SPECIAL BUSINESS:

5. **Re-appointment of Mr. Devendra Jain (DIN- 00232920) as the Managing Director of Company.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, and approval of the Board and pursuant to the provisions of Section 196, 197, 198 and 203 read with the provisions of Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, as amended, approval of members of the Company be and are hereby accorded for the re-appointment of Mr. Devendra Jain (DIN- 00232920), as one of the Whole-time Key Managerial Personnel to be designated as Managing Director of the Company for a further period of three years commencing from 1st August, 2017 to 31st July, 2020, on the remuneration and other terms and conditions as given below:

- A. Salary per month: 3,00,000/- (Rupees Three lacs only)
- B. He shall be entitled to provident fund, gratuity, retirement benefits, leave encashment and any other benefit & facilities as per the Rules of the Company.
- C. Other Perquisites:
  - Car: The Company may provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
  - Telephone, Internet & Cell: The Company may provide free use of telephone, internet at his residence and Cell phone.

**RESOLVED FURTHER THAT** Mr. Devendra Jain (DIN- 00232920), Managing Director shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business.

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profit for any financial year, the remuneration payable to Mr. Devendra Jain (DIN- 00232920) shall not be in excess with the limit prescribed in the Schedule V of the Companies Act, 2013 as may be applicable from time to time during his tenure.

**RESOLVED FURTHER THAT** Board of Directors of Company be and is hereby authorized to do all the needful acts, deeds, matters and things to give effect to this resolution including filing of forms with ROC."

**6. Re-appointment of Mr. Mukesh Jain (DIN- 00245111) as the Whole-Time Director of Company.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, and approval of the Board and pursuant to the provisions of Section 196, 197, 198 and 203 read with the provisions of Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, as amended, approval of members of the Company be and are hereby accorded for the re-appointment of Mr. Mukesh Jain (DIN- 00245111), as one of the Whole-time Key Managerial Personnel to be designated as Whole-time Director of the Company for a further period of three years commencing from 1st August, 2017 to 31st July, 2020, liable to be retire by rotation on the remuneration and other terms and conditions as given below:

- A. Salary per month: 3,00,000/- (Rupees Three lacs only)
- B. He shall be entitled to provident fund, gratuity, retirement benefits, leave encashment and any other benefit & facilities as per the Rules of the Company.
- C. Other Perquisites:
  - Car: The Company may provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
  - Telephone, Internet & Cell: The Company may provide free use of telephone, internet at his residence and Cell phone.

**RESOLVED FURTHER THAT** Mr. Mukesh Jain (DIN- 00245111), Whole-time Director shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business.

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profit for any financial year, the remuneration payable to Mr. Mukesh Jain (DIN- 00245111) shall not be in excess with the limit prescribed in the Schedule V of the Companies Act, 2013 as may be applicable from time to time during his tenure.

**RESOLVED FURTHER THAT** Board of Directors of Company be and is hereby authorized to do all the needful acts, deeds, matters and things to give effect to this resolution including filing of forms with ROC."

**7. Re-appointment of Mr. Surendra Jain (DIN- 00245154) as the Chairman and Whole time director of Company.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, and approval of the Board and pursuant to the provisions of Section 196, 197, 198 and 203 read with the provisions of Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, as amended, approval of members of the Company be and are hereby accorded for the re-appointment of Mr. Surendra Jain (DIN- 00245154), as one of the Whole-time Key Managerial Personnel to be designated as Chairman and Whole time director of the Company for a further period of three years commencing from 1st August, 2017 to 31st July, 2020, liable to be retire by rotation, on the remuneration and other terms and conditions as given below:

- A. Salary per month: 3,00,000/- (Rupees Three lacs only)
- B. He shall be entitled to provident fund, gratuity, retirement benefits, leave encashment and any other benefit & facilities as per the Rules of the Company.
- C. Other Perquisites:
  - Car: The Company may provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
  - Telephone, Internet & Cell: The Company may provide free use of telephone, internet at his residence and Cell phone.

**RESOLVED FURTHER THAT** Mr. Surendra Jain (DIN- 00245154), Chairman and Whole time director shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business.

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**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profit for any financial year, the remuneration payable to Mr. Surendra Jain (DIN- 00245154) shall not be in excess with the limit prescribed in the Schedule V of the Companies Act, 2013 as may be applicable from time to time during his tenure.

**RESOLVED FURTHER THAT** Board of Directors of Company be and is hereby authorized to do all the needful acts, deeds, matters and things to give effect to this resolution including filing of forms with ROC."

### 8. To Approve the Expenses for Service of Documents to Members

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

**"RESOLVED THAT** pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed there under, the consent of the Company be and is hereby accorded to charge from a member fee in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by such member for delivery of such document to him/ her through such mode of service provided that such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

**RESOLVED FURTHER THAT** Board of the Directors of the Company be and are hereby authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution."

By order of the Board of Directors  
**Porwal Auto Components Limited**

Place : Pithampur  
Date : 12.08.2017

**Registered office**  
Plot No. 209, Sector No. 1,  
Industrial Area,  
Pithampur (M.P.) 454775

**ARWA SAIFEE**  
Company Secretary

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. 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 proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 is given below and forms part of the Notice.
4. Pursuant to Provisions of Section 91 of the Companies Act, 2013, the Register of Members and share transfer book of the Company will remain closed during the period from Friday, 22nd September 2017 to Thursday 28th September 2017 (both days inclusive) for the purpose of payment of dividend to those members whose name stand on the Register of Members as on Thursday 21st September, 2017. The dividend, if declared at the Annual General Meeting, would be paid/dispatched after 28th September 2017 to those persons or their mandates
  - The Dividend in respect of equity shares held in electronic form will be payable to the beneficial owner of the equity shares as at the end of business hours on Thursday 21st September, 2017, as per the details furnished by the depositories for this purpose
  - The Dividend in respect of equity shares held in physical form after giving effect to all valid share transfers lodged with the Company before closing hours on Thursday 21st September, 2017.
5. Last date for claiming unclaimed and unpaid dividends declared by the Company for the financial year 2015-16 and thereafter is as under:

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Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid/unclaimed dividend
31st March 2016	28th September 2016	26th October 2023

Members who have not encashed the dividend warrants so far in respect of the aforesaid periods, are requested to make their claim to Link Intime India Pvt. Ltd well in advance of the above due date.

6. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts on the website of the Company [www.porwalauto.com](http://www.porwalauto.com). Further, pursuant to the provisions of section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.
7. Brief details of Directors seeking re-appointment / appointment at the Annual General Meeting scheduled to be held on 28th September 2017 (Pursuant to Regulation 36 (3) of the SEBI (Listing Obligation & Disclosure Requirement), Regulations, 2015) and additional Information under Schedule V provided as a part of this notice.
8. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Directors.
9. The company has notified closure of register of members and share transfer books (For the purpose of AGM and Dividend) from Friday, September 22, 2017 to Thursday, September 28, 2017 (both days inclusive).
10. The Members are requested to:
  - a. Intimate changes, if any, in their registered addresses immediately.
  - b. Quote their ledger folio number in all their correspondence.
  - c. Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
  - d. Bring their Annual Report and Attendance Slips with them at the AGM venue.
11. Members seeking any information are requested to write to the Company by email at [admin@porwalauto.com](mailto:admin@porwalauto.com) at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
12. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per the register of Members will be entitled to vote.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in same order of names are requested to send the share certificates to Link Intime India Pvt. Ltd, for consolidation into a single folio.
14. Members are requested to notify immediately any change in their address and E – Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company, Link Intime India Pvt. Ltd at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083
15. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or Registrar and Share Transfer Agent of the Company for assistance in this regard.
16. In accordance with the provisions of Section 101 of the Companies Act, 2013, Rule 18 of the Companies (Management and Administration) Rules, 2014 and Regulation 36 of the SEBI (LODR) Regulations, 2015 and the Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. In view of the above the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available and through other modes of services where email addresses have not been registered. Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, Link Intime India Pvt. Ltd. to enable the Company to send all communications electronically.
17. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic form, the nomination form may be filed with the respective depository participant.
18. Members may also note that the Annual Report for FY 2016-17 is also available for downloading on Company's website [www.porwalauto.com](http://www.porwalauto.com).

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19. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
20. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Pvt Ltd.
21. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Saturday, during business hours up to the date of the meeting.
22. The route map showing directions to reach the venue of the Twenty-Fifth AGM is annexed.
23. Voting through electronic means
  - (i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by CDSL.
  - (ii) The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
  - (iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - (iv) The voting period begins on 25th September 2017 (9.00 am) and ends on 27th September 2017 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (v) Instructions for the voting through electronic means
    - a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
    - b. Click on Shareholders tab.
    - c. 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.
    - d. Next enter the Image Verification as displayed and Click on Login.
    - e. 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.
    - f. 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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number. The sequence number is printed on the address sticker where the Annual Report is sent in physical form and the same is communicated in the e-mail where the Annual Report is sent in an electronic form.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	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"> <li>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 (c).</li> </ul>

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- g. 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 i.e. 21st September 2017, may obtain the login ID and password by sending a request to Link Intime India Pvt Ltd at prajwal.suvarna@linkintime.co.in.
- h. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- i. After entering these details appropriately, click on "SUBMIT" tab.
- j. 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.
- k. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l. Click on the EVSN for the relevant **PORWAL AUTO COMPONENTS LIMITED** on which you choose to vote.
- m. 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.
- n. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- o. 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.
- p. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- q. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- r. **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](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 linked in the login 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.
  - 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.
- (vi) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (vii) The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 21st September 2017.
- (viii) Ms. Shraddha Jain (Membership No. 39488 CP no. 14717), Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (ix) At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of Scrutinizer, order voting through poll for all those members who are present at the AGM but have not cast their votes electronically using the remote e-voting facility.



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- (x) Immediately after the conclusion of voting at the AGM, the Scrutinizer shall first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than three days after the conclusion of the AGM. This report shall be made to the Chairman or any other person authorized by the Chairman, who shall declare the result of the voting forthwith.
- (xi) The voting results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.porwalauto.com](http://www.porwalauto.com) and on the website of CDSL immediately after the declaration of the result by the Chairman or a person authorized by the Chairman. The results shall also be immediately forwarded to BSE Limited.

### EXPLANATORY STATEMENT IN TERMS OF SECTION 102(1) OF THE COMPANIES ACT, 2013

#### Item No. 04:

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, **ASSG & ASSOCIATES**, Chartered Accountants, Indore, (ICAI Firm Registration No.012120C), the present Auditors of the Company complete their term as Auditors at the conclusion of the ensuing 25th Annual General Meeting ("AGM") of the Company.

Accordingly, the Board of Directors has based on the recommendation of the Audit Committee, proposed the appointment of **S N GADIYA & CO.**, Chartered Accountants (ICAI Firm Registration No. 002052C) as the Statutory Auditors of the Company to hold office for a term of 5 years, commencing from the conclusion of this AGM until the conclusion of the 30th AGM of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every AGM held after this AGM, as may be applicable, at a remuneration to be determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit. **S N GADIYA & CO.**, Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be in conformity with the provisions of section 139 of the Act and that they satisfy the criteria provided in section 141 of the Act and are independent of the Management.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution as set out at Item No. 4 of the Notice.

#### Item No. 05

##### Reappointment of Mr. Devendra Jain as Managing Director of the Company

Mr. Devendra Jain was earlier appointed as Managing Director of the Company with effect from 01.08.2014 and confirmed at the Annual General Meeting dated 29.09.2014, for a period of three years ended 31.07.2017.

Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 31st July, 2017 has re-appointed Mr. Devendra Jain as Managing Director of the Company for a further period of three years commencing from 1st August, 2017 on consideration of the fact that during his term, the performance of Mr. Devendra Jain, was encouraging and satisfactory which deserved favorable consideration in the matter of extending him another term in office as Managing Director of the Company.

Mr. Devendra Jain have rich experience in industries and is acquainted with complete knowledge of the business. His experience, commitments and capabilities are playing a crucial role in the growth of the company. He is associated with the Company since 03rd February 1992 and having 40 Years experience of business & Industry. Mr Devendra Jain has proved to be an invaluable assets for the company. Considering his sincerity, commitments, hard work, devotion and concern about the company and its growth, the board feels it absolutely necessary to reappoint him as Managing Director.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the re-appointment of Mr. Devendra Jain as Managing Director are now being placed before the Members for their approval. The Board recommends the Ordinary Resolution as set out in Item No. 5 of the notice.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as a part of this Notice.

Mr. Devendra Jain is interested in the resolution to the extent of his appointment and remuneration payable to him, and Mr. Surendra Jain, Mr. Mukesh Jain and Mr. Shailesh Jain being his relative may also be deemed as concerned or interested in the resolution, however none of the other directors & KMP may be deemed as concerned or interested in the aforesaid resolution.

**Item: 06**

**Reappointment of Mr. Mukesh Jain as Whole Time Director of the Company.**

Mr. Mukesh Jain was earlier appointed as Whole Time Director of the Company with effect from 01.08.2014 and confirmed at the Annual General Meeting dated 29.09.2014, for a period of three years ended 31.07.2017.

Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 31st July, 2017 has re-appointed Mr. Mukesh Jain as Whole Time Director of the Company for a further period of three years commencing from 1st August, 2017 on consideration of the fact that during his term, the performance of Mr. Mukesh Jain, was encouraging and satisfactory which deserved favorable consideration in the matter of extending him another term in office as Whole Time Director of the Company.

Mr. Mukesh Jain have rich experience in industries and is acquainted with complete knowledge of the business. His experience, commitments and capabilities are playing a crucial role in the growth of the company. He is associated with the Company since 31st March 1998. He is having 37 Years experience of Business & Industry. His experience, commitments and capabilities are playing a crucial role in the growth of the company. Mr. Mukesh Jain has proved to be an invaluable assets for the company. Considering his sincerity, commitments, hard work, devotion and concern about the company and its growth, the board feels it absolutely necessary to reappoint him as Whole Time Director.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the re-appointment of Mr. Mukesh Jain as the Whole Time Director are now being placed before the Members for their approval. The Board recommends the Ordinary Resolution as set out in Item No. 6 of the notice.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as a part of this Notice.

Mr. Mukesh Jain is interested in the resolution to the extent of his appointment and remuneration payable to him, and Mr. Surendra Jain, Mr. Devendra Jain and Mr. Shailesh Jain being his relative may also be deemed as concerned or interested in the resolution, however none of the other directors & KMP may be deemed as concerned or interested in the aforesaid resolution.

**Item: 07**

**Reappointment of Mr. Surendra Jain as Chairman and Whole time director of the Company**

Mr. Surendra Jain was earlier appointed as Chairman and Whole time director of the Company with effect from 01.08.2014 and confirmed at the Annual General Meeting dated 29.09.2014, for a period of three years ended 31.07.2017.

Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 31st July, 2017 has re-appointed Mr. Surendra Jain as Chairman and Whole time director of the Company for a further period of three years commencing from 1st August, 2017 on consideration of the fact that during his term, the performance of Mr. Surendra Jain, was encouraging and satisfactory which deserved favorable consideration in the matter of extending him another term in office as Chairman and Whole time director of the Company.

Mr. Surendra Jain have rich experience in industries and is acquainted with complete knowledge of the business. His experience, commitments and capabilities are playing a crucial role in the growth of the company. He is associated with the Company since 07th June 2005 and having 41 Years experience of business & Industry. Mr. Surendra Jain has proved to be an invaluable assets for the company. Considering his sincerity, commitments, hard work, devotion and concern about the company and its growth, the board feels it absolutely necessary to reappoint him as Whole Time Director.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the re-appointment of Mr. Surendra Jain as the Chairman and Whole time director are now being placed before the Members for their approval. The Board recommends the Ordinary Resolution as set out in Item No. 7 of the notice.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as a part of this Notice.

Mr. Surendra Jain is interested in the resolution to the extent of his appointment and remuneration payable to him, and Mr. Devendra Jain, Mr. Mukesh Jain and and Mr. Shailesh Jain being his relative may also be deemed as concerned or interested in the resolution, however none of the other directors & KMP may be deemed as concerned or interested in the aforesaid resolution.

**Details of the directors seeking appointment/re-appointment in the ensuing Annual General Meeting under Regulation 36(3) of the Securities and Exchange Board of India (Listing obligations and disclosure requirements) regulations, 2015 and additional Information under Schedule V is provided as a part of this notice.**