



Porwal

Auto Components Ltd.

30th

**ANNUAL REPORT
2021-2022**

ANNUAL REPORT 2021 – 2022**THIRTIETH ANNUAL REPORT 2021 - 2022**

ANNUAL REPORT 2021-22

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

**CHIEF FINANCIAL OFFICER &
CHIEF OPERATING OFFICER**

MR. SHAILESH JAIN – CFO

MR. ATIN JAIN- COO

COMPANY SECRETARY

MS. HANSIKA MITTAL

STATUTORY AUDITORS

 S N GADIYA & CO.
 Chartered Accountants
 241 Apollo Tower, 2 M.G. Road
 Indore – (M.P.)

BANKERS

 STATE BANK OF INDIA
 SME Branch, Indore (M.P.)
 STATE BANK OF INDIA
 Pithampur, Indore (M.P.)
 ICICI BANK LTD
 Malav Parisar Indore (M.P.)

REGISTERED OFFICE & WORKS

 CIN: L34300MP1992PLC006912
 Plot No. 209, Sector No. 1,
 Industrial Area, Pithampur,
 (M.P.) 454775
 Tel: 07292-421300
 Fax: 07292-405120
 admin@porwalauto.com
 www.porwalauto.com

**REGISTRAR AND SHARE
TRANSFER AGENT**

 Link Intime India Pvt Ltd.
 C 101, 247 Park, L B S Marg, Vikhroli
 West, Mumbai -400083
 Tel: +91 22 49186270
 Fax: +91 22 49186060
 E Mail: rent.helpdesk@linkintime.co.in

NOTICE

NOTICE is hereby given that Thirtieth Annual General Meeting of the Members of the Porwal Auto Components Limited will be held on **Wednesday, 28th September, 2022 at 01:00 P.M. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business: -

The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at Plot No.209, Sector No.1, Industrial Area, Pithampur, District, Dhar, (M.P.) 454775 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:**1. Consideration & Adoption of Audited Financial Statements for the Financial Year ended 31st March, 2022:**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022, together with the Reports of the Board of Directors and the Auditors thereon.

2. Appointment of Mr. Surendra Utsavlal Jain (DIN: 00245154), as Whole Time Director, liable to retire by rotation.

To appoint a Director in place of Mr. Surendra Utsavlal Jain (DIN: 00245154), who retires by rotation and being eligible, offers himself for re-appointment.

3. To Appoint M/S. HN Jhavar and Co., Chartered Accountants, Indore (FRN: 000544C) as Statutory Auditor of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Audit Committee and the Board of Directors, M/S. HN Jhavar and Co., Chartered Accountants, Indore (FRN: 000544C), be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring Auditors, S N Gadiya & Co., Chartered Accountants (ICAI Firm Registration No. 002052C), to hold office from the conclusion of this i.e. 30th Annual General Meeting till the conclusion of 35th Annual General Meeting of the Company, at a remuneration as may be mutually agreed between the Board of Directors and the Statutory Auditors of the Company from time to time, in addition to the out-of pocket expenses as may be incurred by them.

RESOLVED FURTHER THAT the Board of Directors of the 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."

SPECIAL BUSINESS:**4. Ratification of the remuneration payable to M/S. A. K. Jain & Associates, Cost Accountants, Indore (FRN: 101472) for the Financial Year ending March 31, 2023**

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

"RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, the remuneration payable to M/S. A. K. Jain & Associates, Cost Accountants, Indore (FRN: 101472), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost accounting records of the Company for the Financial Year ending on 31st March, 2023, amounting to Rs. 35,000/- (Rupees Thirty Five Thousand Only) plus applicable taxes, in connection with the said audit, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the 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."

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

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with the provisions of Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being enforce) and other applicable provisions, if any, of the Companies Act, 2013, in terms of Articles of Association, as amended and on recommendation of the Nomination and Remuneration Committee and on Board's approval, the approval of members of the Company be and is hereby accorded for the reappointment of Mr. Devendra Jain (DIN- 00232920), who will attain the age of 70 years during his tenure, 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, 2023 to 31st July, 2026, upon the terms and conditions, including remuneration details, mentioned in the explanatory statement, with further liberty to the Board of Directors to alter, modify or revise from time to time, the terms and conditions of appointment and remuneration of Mr. Devendra Jain, as Managing Director in such manner as may be considered appropriate and in the best interests of the Company and as may be permissible at law.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any Financial Year during the aforesaid period, Mr. Devendra Jain, Managing Director shall be paid the remuneration by way of salary, perquisites and benefits, in accordance with the applicable provisions of the Act and subject to terms and conditions mentioned in the explanatory statement.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

6. To Re-appoint Mr. Mukesh Utsavlal Jain (DIN- 00245111) as the Whole-Time Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with the provisions of Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being enforce) and other applicable provisions, if any, of the Companies Act, 2013, in terms of Articles of Association, as amended and on recommendation of the Nomination and Remuneration Committee and on Board's approval, the approval of members of the Company be and is hereby accorded for the reappointment of Mr. Mukesh Utsavlal 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, 2023 to 31st July, 2026, who shall be liable to retire by rotation, upon the terms and conditions, including remuneration details, mentioned in the explanatory statement, with further liberty to the Board of Directors to alter, modify or revise from time to time, the terms and conditions of appointment and remuneration of Mr. Mukesh Utsavlal Jain, Whole Time Director in such manner as may be considered appropriate and in the best interests of the Company and as may be permissible at law.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any Financial Year during the aforesaid period, Mr. Mukesh Utsavlal Jain, Whole Time Director shall be paid the remuneration by way of salary, perquisites and benefits, in accordance with the applicable provisions of the Act and subject to terms and conditions mentioned in the explanatory statement.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

7. To Re-appoint Mr. Surendra Utsavlal Jain (DIN- 00245154) as the Chairman and Whole Time Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 read with the provisions of Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being enforce) and other applicable provisions, if any, of the Companies Act, 2013, in terms of Articles of Association, as amended and on recommendation of the Nomination and Remuneration Committee and on Board's approval, the approval of members of the Company be and is hereby accorded for the reappointment of Mr. Surendra Utsavlal Jain (DIN- 00245154), who will attain the age of 70 years during his tenure, as one of the Whole-time Key Managerial Personnel to be designated as the Chairman and Whole Time Director of the Company for a further period of three years commencing from 1st August, 2023 to 31st July, 2026, who shall be liable to retire by rotation, upon the terms and conditions, including remuneration details, mentioned in the explanatory statement, with further liberty to the Board of Directors to alter, modify or revise from time to time, the terms and conditions of appointment and remuneration of Mr. Surendra Utsavlal Jain, Chairman and Whole Time Director in such manner as may be considered appropriate and in the best interests of the Company and as may be permissible at law.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any Financial Year during the aforesaid period, Mr. Surendra Utsavlal Jain, Chairman and Whole Time Director shall be paid the remuneration by way of salary, perquisites and benefits, in accordance with the applicable provisions of the Act and subject to terms and conditions mentioned in the explanatory statement.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

8. To approve Material Related Party Transaction(s) to be entered into during the Financial Year 2021-22, 2022-23 and 2023-24

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the applicable rules issued under the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 23 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI -

LODR Regulations”), the Company’s Policy on “Related Party Transactions” and all other applicable laws and regulations, as amended, supplemented or re-enacted from time to time, and pursuant to the consent of the Audit Committee and the Board of Directors, the approval of the Members of the Company be and is hereby accorded to the Company to enter into contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) (including any modifications, alterations or amendments thereto), in the ordinary course of business and on arm’s length basis with ‘PORWAL DIESELS PRIVATE LIMITED’ (herein after referred to as related party) of the Company within the meaning of the Act and the SEBI - LODR Regulations, as more particularly enumerated in the explanatory statement to the Notice, on and for an amount not exceeding in the aggregate of Rs. 50,00,00,000/- (Rupees Fifty crores only) for each of the Financial Years, i.e., 2021-2022, 2022-2023 and 2023-2024 and on such terms and conditions as may be agreed between the Company and related party;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to decide upon the nature and value of transactions of the products, goods, materials, services or other transactions etc. for transactions with the aforesaid related party, within the aforesaid limits;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all necessary acts, deeds, things and execute all such documents, undertakings as may be necessary in this regard from time to time to give effect to the above Resolution.”

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

Place: Pithampur
Date: 10th August, 2022

Hansika Mittal
Company Secretary

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 2/2022 dated 05.05.2022 read along with Circular No. 02/2021 dated 13.01.2021, and MCA General Circular No. 20/2020 dated 05.05.2020, 19/2021 dated 08.12.2021, 21/2021 dated 14.12.2021, read together with MCA General Circular Nos. 14/2020 & 17/2020 dated 08.04.2020 and 13.04.2020 respectively, and Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13.05.2022, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15.01.2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12.05.2020 permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

Central Depository Services (India) Limited (‘CDSL’), shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 32 below.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of the Notice. The Board

of Directors have considered and decided to include the Item Nos. 4 to 8 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

3. In view of the massive outbreak of the COVID-19 pandemic, social distancing has to be a pre-requisite. Pursuant to the above mentioned MCA Circulars, **physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.**
4. A statement giving the relevant details of the Directors seeking appointment/re-appointment under item no. 5, 6 and 7 of the accompanying Notice, as required under 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed herewith.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. In pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a certified copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address at csshraddhajain@gmail.com with a copy marked to CDSL at www.evotingindia.com.
7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. The voting rights of Shareholders shall be in proportion of shares held by them to the total paid up equity shares of the Company as on **Wednesday, 21st September, 2022**, being the cut-off date.
9. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with above mentioned MCA and SEBI Circulars, the AGM of the Company is being conducted through VC/OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial

Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

11. The report on the Corporate Governance and Management Discussion and Analysis also forms part to the report of the Directors.
12. M/S. S N Gadiya & Company, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 25th Annual General Meeting held on 28th September, 2017 to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2022. The Board of Directors, based on the recommendation of the Audit Committee, proposed the appointment of M/S. HN Jhavar and Co., Chartered Accountants, Indore (ICAI Firm Registration No. 000544C) as the Statutory Auditors of the Company to hold office for a term of 5 consecutive years, commencing from the conclusion of this AGM until the conclusion of the 35th AGM of the Company to be held in the year 2027.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and relevant documents referred to in this Notice of AGM, will be available electronically for by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members on the date of AGM, i.e. 28th September, 2022. Members seeking to inspect such documents can send an email to investors.pacl@gmail.com.
14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, **Link Intime India Private Limited** for assistance in this regard.

Further, in compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the Company as well as on the website of Link Intime India Pvt. Ltd., Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

15. SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 has made it mandatory for all shareholders holding shares in physical form to furnish nomination details to the Company / RTA:

Shareholders can register their nomination details in Form SH-13 or they can choose to give declaration to opt out of Nomination by filing Form ISR-3.

In case of shareholder holding shares in physical form wishes to change the nominee or cancel the nomination then Form SH-14 needs to be filled.

The forms mentioned above are available on the website of the Company as well as on the website of RTA.

16. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, has made it mandatory for all holders holding shares in physical form to furnish the following documents / details to the RTA

- a) PAN
- b) Contact details, Postal address with PIN, Mobile number, E-mail address
- c) Bank account details (bank name and branch, bank account number, IFS code)
- d) Specimen signature

For furnishing the above-mentioned details, shareholder must submit Form ISR-1 and/or ISR-2 in hard copy form to the Company/ RTA. The forms are available on the website of the Company as well as on the website of RTA.

17. **BOOK CLOSURE:** The Register of Members and Transfer Books of the Company will be closed from **Thursday, 22nd September, 2022 to Wednesday, 28th September, 2022 (both days inclusive)** for the purpose of AGM.
18. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2021 (29th September, 2021, date of last AGM), on the website of the Company at <https://www.porwalauto.com/> and also on the website of the MCA at <http://www.iepf.gov.in/>.

Last date for claiming unclaimed and unpaid dividends declared by the Company for the Financial Year 2015-2016, 2016-2017, 2017-18 & 2018-19 and thereafter.

Financial Year Ended	Date of declaration of dividend	Last date for claiming unpaid/unclaimed dividend
31 st March 2016	28 th September 2016	27 th October 2023
31 st March 2017	28 th September 2017	26 th October 2024
31 st March 2018	29 th September 2018	28 th October 2025
31 st March 2019	28 th September 2019	28 th October 2026 (tentative)

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.