

Date: 04th September, 2020

To,
General Manager-Listing
BSE Limited
P.J. Tower, Dalal Street,
Mumbai- 400001

Scrip Code – 532933 ; ISIN – INE386I01018

Sub: Submission of Notice of 28th Annual General Meeting of the Company to be held on 29th September, 2019 at 03:00 P.M.


Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of the 28th Annual General Meeting of the Company that is scheduled to be held on **Tuesday, 29th September, 2020 at 03:00 P.M.** through Video Conferencing or Other Audio Video Means (OAVM) for which purposes the registered office of the Company shall be deemed as the venue for the Meeting. The same is also available on the company's website at www.porwalauto.com.

Please take the same in your records.

Thanking You
Yours faithfully

For, PORWAL AUTO COMPONENTS LIMITED



HANSIKA MITTAL
COMPANY SECRETARY

Enclosure: Notice of 28th Annual General Meeting through VC or OAVM.

NOTICE

NOTICE is hereby given that Twenty Eighth Annual General Meeting of the Members of the Porwal Auto Components Limited will be held on **Tuesday, 29th September, 2020** at **03:00 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, 2020:**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2020, 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.

SPECIAL BUSINESS:**3. To Re-appoint 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 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 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, 2020 to 31st July, 2023, who shall be liable to retire by rotation, upon the terms and conditions, including remuneration details, mentioned in the explanatory statement.

4. 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 an 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 re-appointment 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, 2020 to 31st July, 2023, who shall be liable to retire by rotation, upon the terms and conditions, including remuneration details, mentioned in the explanatory statement.

5. To Re-appoint 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 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 re-appointment of Mr. Surendra Utsavial Jain (DIN- 00245154), 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, 2020 to 31st July, 2023, who shall be liable to retire by rotation, upon the terms and conditions, including remuneration details, mentioned in the explanatory statement.

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

Place: Pithampur
Date: 27th August, 2020

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. 20/2020 dated May 5, 2020 read with circulars read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) respectively, and Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 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.

Link Intime India Private Limited, Registrar & Transfer Agent of the Company, 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. 27 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. 3 to 5 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. The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
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. 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 csshreddhajain@gmail.com with a copy marked to evoting@nsdl.co.in.
 7. 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 Tuesday 22nd September, 2020, being the cut-off date.
 8. 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.
 9. The report on the Corporate Governance and Management Discussion and Analysis also forms part to the report of the Directors.
 10. 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. Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.
 11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection 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. 29th September, 2020. Members seeking to inspect such documents can send an email to investors.pacl@gmail.com.
 12. 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.
 13. **BOOK CLOSURE:** The Register of Members and Transfer Books of the Company will be closed from **Wednesday 23rd September, 2020 to Tuesday 29th September, 2019 (both days inclusive)**. (both days inclusive) for the purpose of AGM.
 14. 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, 2019 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, 2017-2018 & 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.

Pursuant to sections 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 ("the IEPF Rules") notified by the Ministry of Corporate Affairs with effect from 7th September, 2016, as amended, all unclaimed/ unpaid dividend, application money, debenture interest and interest on deposits as well as principal amount of debentures and deposits remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, are required to be transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government.

Further, pursuant to the provisions of section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all shares on which dividend has been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

15. 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, to the Registrar and Share Transfer Agent of the Company at Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083.
16. In compliance with the aforesaid MCA General Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. For Members who have not registered their e-mail address and those members who have become the members of the Company after Friday 28th August, 2020 being the cut-off date for sending soft copy of the Notice of 28th AGM and Annual Report for the financial year 2019-2020, in Portable Document Format (PDF), will also be available on the Company's website www.porwalauto.com, website of NSDL i.e. evoting@nsdl.co.in and on website of stock exchanges viz. www.bseindia.com.
17. Members, who hold shares in multiple Demat accounts and those who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are advised to consolidate their holdings in single Demat account/ Folio.
18. For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email-id investors.pacl@gmail.com, at least 7 days before the date of the AGM, mentioning their name, demat account no./folio number, email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same. Those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
19. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

20. **Investor Grievance Redressal:** The Company has designated an exclusive e-mail ID i.e. investors.pacl@gmail.com to enable the investors to register their complaints / send correspondence, if any for the purpose of AGM.
21. **Webcast:** Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of NSDL at evoting@nsdl.co.in using the login credentials.
22. The Chairman shall at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present/logged in at the AGM but have not cast their votes by availing the remote e-voting facility.
23. A person who has acquired the shares and has become a member of the Company after dispatch of notice of AGM and prior to the Cut-off date i.e. Tuesday 22nd September, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM by following the procedure mentioned in this Notice.
24. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
25. The Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated registration of PAN and Bank Account Details for all security holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account details to Link Intime India Private Limited along with a self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook/statement attested by the bank. Members holding shares in Demat form are requested to submit the aforesaid information to their respective Depository Participant.
26. **SCRUTINISER FOR E-VOTING:** Ms. Shraddha Jain, Practicing Company Secretary (Membership No. ACS 39488) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
27. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited ('NSDL') on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. The remote e-voting period begins on Saturday, 26th September, 2020 at 9.00 a.m. (IST) and ends on Monday, 28th September, 2020 at 5.00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The process/manner for availing e-voting facility and the instructions for members voting electronically are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

A) Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to

Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300**** and Client ID is 12***** then your user ID is IN300****12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001**** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

B) **Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csshreddhajain@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

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

Place: Pithampur
Date: 27th August, 2020

Hansika Mittal
Company Secretary

EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 03**

Mr. Devendra Jain was earlier appointed as Managing Director of the Company with effect from 01.08.2017 and confirmed at the Annual General Meeting dated 28.09.2017, for a period of three years ended 31.07.2020.

Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 29th June, 2020 has re-appointed Mr. Devendra Jain as Managing Director of the Company for a further period of three years commencing from 1st August, 2020 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 43 Years experience of business & Industry. Mr Devendra Jain has proved to be an invaluable asset 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 special Resolution as set out in Item No. 3 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 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.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Devendra Jain and the terms and conditions of the appointment are given below:

- A. **Nature of Duties:** As outlined in Section 166 of the Companies Act, 2013.
- B. **Salary per month:** He shall be entitled for the salary subject to maximum limit upto Rs. 5,00,000/- per month (Indian Rupees Five lacs only)
- C. He shall be entitled to provident fund, gratuity, retirement benefits, leave encashment and any other benefit & facilities as per the Rules of the Company.
- D. **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 and other facilities as may be provided by the Company from time to time.

The following additional information as required by schedule V to the Companies Act, 2013 is given below:

I. General Information:

- i. **Nature of Industry:** The Company is, inter alia, in the business of manufacturing & selling of different range of Auto Component Parts.
- ii. **Date or expected date of commencement of commercial production:** The Company was incorporated on 03rd February, 1992 and started manufacturing in the year 1992.
- iii. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- iv. **Financial performance (Standalone) based on given indicators – As per Audited Financial Results for the year ended 31st March, 2020:**

Particulars	Rs. in Lakhs
Gross Turnover & Other Income	7873.23
Net profit as per Statement of Profit & Loss (After Tax)	56.05
Net Worth	5918.34

- v. **Foreign investments or collaborators, if any:** Not Applicable. However the company is having NRI & Overseas Body Corporate shareholding of 1,12,266 shares.

II. Information about the appointee:

- i. **Background details:** Refer Explanatory Statement of Item No. 3.
- ii. **Past remuneration:** Rs. 3,00,000/- (Rupees Three Lacs) per month.
- iii. **Recognition or awards:** Nil.
- iv. **Job Profile and his suitability:** Mr. Devendra Jain is associated with the Company since 03rd February 1992 and having 43 Years experience of business & Industry. He has 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. Mr Devendra Jain has proved to be an invaluable asset for the company.
- v. **Remuneration proposed:** Refer Explanatory Statement of Item No. 3.
- vi. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Taking into consideration the size of the Company, the profile of Mr. Devendra Jain and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
- vii. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Besides the remuneration proposed to be paid to him, the Executive Director does not have any other pecuniary relationship with the Company.

III. Other Information:

1. **Inadequate Profits:** During the Financial Year, the Company has registered a Profit of Rs. 56.05 Lakhs during the year ended 31st, March, 2020 which is inadequate for the payment of remuneration to the Directors. Hence the provisions of Section 197(3) and Schedule V are

attracted. In terms of which, the required remuneration may be paid without the approval of Central Government only if the Conditions as specified under Schedule V is complied with.

2. **Reasons of loss or inadequate profits:** Company has registered a profit of Rs. 56.05 Lakhs during the year ended 31st, March, 2020. However it is not adequate for payment to directors because the health supply industry witnessed a slow growth rate due to certain government policies and control measures, also regulatory and compliance issues are getting more demanding which resulted in to the weak financial performance of the Company.
3. **Steps taken or proposed to be taken for improvement and Expected increase in the Productivity and profits in measurable terms:** The Company with an aim of improvement of the Company, increased productivity & profits for the Company working hard towards the same, hoping that government addresses major issues like pricing & healthcare policies soon. The Company, its directors & its management are committed to widen its reach with both international and Indian companies. Your Company is geared for the future and also implementing its management skills and strategies for the better organic and inorganic growth of the company in a pattern which would result in minimizing the cost & expenses and yet producing exemplary quality & reliable products.

IV. Disclosures:

The information and Disclosures of the remuneration package of the Executive Director have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration paid to Executive Directors" for the year ended 31st March, 2020.

Mr. Devendra Jain satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act. Taking into consideration his experience, commitment and capabilities that are playing a crucial role in the growth of the Company, the Board of Directors feel that there is a need for a continuation of suitable plans and program and therefore, it is imminent that he should continue in the capacity of Managing Director.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution. The Board recommends to pass **Special resolution** as set out in Item No. 3 of the notice.

ITEM NO. 04

Mr. Mukesh Jain was earlier appointed as Whole Time Director of the Company with effect from 01.08.2017 and confirmed at the Annual General Meeting dated 28.09.2017, for a period of three years ended 31.07.2020

Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 29th June, 2020 has re-appointed Mr. Mukesh Jain as Whole Time Director of the Company for a further period of three years commencing from 1st August, 2020 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 40 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 special Resolution as set out in Item No. 4 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.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Mukesh Jain and the terms and conditions of the appointment are given below:

- E. **Nature of Duties:** As outlined in Section 166 of the Companies Act, 2013.
- F. **Salary per month:** He shall be entitled for the salary subject to maximum limit upto Rs. 5,00,000/- per month (Indian Rupees Five lacs only)
- G. He shall be entitled to provident fund, gratuity, retirement benefits, leave encashment and any other benefit & facilities as per the Rules of the Company.

H. 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 and other facilities as may be provided by the Company from time to time.

The following additional information as required by schedule V to the Companies Act, 2013 is given below:

I. General Information:

- vi. **Nature of Industry:** The Company is, inter alia, in the business of manufacturing & selling of different range of Auto Component Parts.
- vii. **Date or expected date of commencement of commercial production:** The Company was incorporated on 03rd February, 1992 and started manufacturing in the year 1992.
- viii. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- ix. **Financial performance (Standalone) based on given indicators – As per Audited Financial Results for the year ended 31st March, 2020:**

Particulars	Rs. in Lakhs
Gross Turnover & Other Income	7873.23
Net profit as per Statement of Profit & Loss (After Tax)	56.05
Net Worth	5918.34

- x. **Foreign investments or collaborators, if any:** Not Applicable. However the company is having NRI & Overseas Body Corporate shareholding of 1,12,266 shares.

II. Information about the appointee:

- viii. **Background details:** Refer Explanatory Statement of Item No. 04.
- ix. **Past remuneration:** Rs. 3,00,000/- (Rupees Three Lacs) per month.
- x. **Recognition or awards:** Nil.
- xi. **Job Profile and his suitability:** 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 40 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.
- xii. **Remuneration proposed:** Refer Explanatory Statement of Item No. 04.
- xiii. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Taking into consideration the size of the Company, the profile of Mr. Mukesh Jain and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
- xiv. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Besides the remuneration proposed to be paid to him, the Executive Director does not have any other pecuniary relationship with the Company.

III. Other Information:

- 4. **Inadequate Profits:** During the Financial Year, the Company has registered a Profit of Rs. 56.05 Lakhs during the year ended 31st, March, 2020 which is inadequate for the payment of remuneration to the Directors. Hence the provisions of Section 197(3) and Schedule V are attracted. In terms of which, the required remuneration may be paid without the approval of Central Government only if the Conditions as specified under Schedule V is complied with.
- 5. **Reasons of loss or inadequate profits:** Company has registered a profit of Rs. 56.05 Lakhs during the year ended 31st, March, 2020. However it is not adequate for payment to directors because the health supply industry witnessed a slow growth rate due to certain government policies and control measures, also regulatory and compliance issues are getting more demanding which resulted in to the weak financial performance of the Company.
- 6. **Steps taken or proposed to be taken for improvement and Expected increase in the Productivity and profits in measurable terms:** The Company with an aim of improvement of the Company, increased productivity & profits for the Company working hard towards the same, hoping that government addresses major issues like pricing & healthcare policies soon. The Company, its directors & its management are committed to widen its reach with both international and Indian companies. Your Company is geared for the future and also implementing its management skills and strategies for the better organic and inorganic growth of the company in a pattern which would result in minimizing the cost & expenses and yet producing exemplary quality & reliable products.

IV. Disclosures:

The information and Disclosures of the remuneration package of the Executive Director have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration paid to Executive Directors" for the year ended 31st March, 2020.

Mr. Mukesh Jain satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act. Taking into consideration his experience, commitment and capabilities that are playing a crucial role in the growth of the Company, the Board of Directors feel that there is a need for a continuation of suitable plans and program and therefore, it is imminent that he should continue in the capacity of Whole Time Director.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution. The Board recommends to pass **Special resolution** as set out in Item No. 04 of the notice.

ITEM NO. 05

Mr. Surendra Jain was earlier appointed as Chairman and Whole time director of the Company with effect from 01.08.2017 and confirmed at the Annual General Meeting 28.09.2017, for a period of three years ended 31.07.2020.

Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 29th June, 2020 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, 2020 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 44 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 Special 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. 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.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Surendra Jain and the terms and conditions of the appointment are given below:

- I. **Nature of Duties:** As outlined in Section 166 of the Companies Act, 2013.
- J. **Salary per month:** He shall be entitled for the salary subject to maximum limit upto Rs. 5,00,000/- per month (Indian Rupees Five lacs only)
- K. He shall be entitled to provident fund, gratuity, retirement benefits, leave encashment and any other benefit & facilities as per the Rules of the Company.

L. 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 and other facilities as may be provided by the Company from time to time.

The following additional information as required by schedule V to the Companies Act, 2013 is given below:

I. General Information:

- xi. Nature of Industry:** The Company is, inter alia, in the business of manufacturing & selling of different range of Auto Component Parts.
- xii. Date or expected date of commencement of commercial production:** The Company was incorporated on 03rd February, 1992 and started manufacturing in the year 1992.
- xiii. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- xiv. Financial performance (Standalone) based on given indicators –** As per Audited Financial Results for the year ended 31st March, 2020:

Particulars	Rs. in Lakhs
Gross Turnover & Other Income	7873.23
Net profit as per Statement of Profit & Loss (After Tax)	56.05
Net Worth	5918.34

- xv. Foreign investments or collaborators, if any:** Not Applicable. However the company is having NRI & Overseas Body Corporate shareholding of 1,12,266 shares.

II. Information about the appointee:

- xv. Background details:** Refer Explanatory Statement of Item No. 05.
- xvi. Past remuneration:** Rs. 3,00,000/- (Rupees Three Lacs) per month.
- xvii. Recognition or awards:** Nil.
- xviii. Job Profile and his suitability:** 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 44 Years experience of business & Industry. Mr. Surendra Jain has proved to be an invaluable assets for the company.
- xix. Remuneration proposed:** Refer Explanatory Statement of Item No. 05.
- xx. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Taking into consideration the size of the Company, the profile of Mr. Surendra Jain and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

- xxi. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Besides the remuneration proposed to be paid to him, the Executive Director does not have any other pecuniary relationship with the Company.

III. Other Information:

- 7. Inadequate Profits:** During the Financial Year, the Company has registered a Profit of Rs. 56.05 Lakhs during the year ended 31st, March, 2020 which is inadequate for the payment of remuneration to the Directors. Hence the provisions of Section 197(3) and Schedule V are attracted. In terms of which, the required remuneration may be paid without the approval of Central Government only if the Conditions as specified under Schedule V is complied with.
- 8. Reasons of loss or inadequate profits:** Company has registered a profit of Rs. 56.05 Lakhs during the year ended 31st, March, 2020. However it is not adequate for payment to directors because the health supply industry witnessed a slow growth rate due to certain government policies and control measures, also regulatory and compliance issues are getting more demanding which resulted in to the weak financial performance of the Company.
- 9. Steps taken or proposed to be taken for improvement and Expected increase in the Productivity and profits in measurable terms:** The Company with an aim of improvement of the Company, increased productivity & profits for the Company working hard towards the same, hoping that government addresses major issues like pricing & healthcare policies soon. The Company, its directors & its management are committed to widen its reach with both international and Indian companies. Your Company is geared for the future and also implementing its management skills and strategies for the better organic and inorganic growth of the company in a pattern which would result in minimizing the cost & expenses and yet producing exemplary quality & reliable products.

IV. Disclosures:

The information and Disclosures of the remuneration package of the Executive Director have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration paid to Executive Directors" for the year ended 31st March, 2020.

Mr. Surendra Jain satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act. Taking into consideration his experience, commitment and capabilities that are playing a crucial role in the growth of the Company, the Board of Directors feel that there is a need for a continuation of suitable plans and program and therefore, it is imminent that he should continue in the capacity of Whole Time Director.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution. The Board recommends to pass **Special resolution** as set out in Item No. 05 of the notice.

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:

S. No	Particulars	Mr. Devendra Jain	Mr. Mukesh Jain	Mr. Surendra Jain
1.	Date of Birth	23.06.1954	02.10.1956	19.10.1952
2.	Background details	Associated with the company since 03.02.1992	Associated with the company since 31.03.1998	Associated with the company since 07.06.2005.
3.	Brief Profile	He has earned his B. E. (Mech.) in the year 1976 from Birla Institute of Technology and Science, Pilani.	He has earned his B.Com in the year 1976 from Gujrati College, Indore.	He has earned his B.E. (Mech) in the year 1974 from Shri Govindram Seksaria Institute of Technology and

				Science, Indore.
4.	Expertise in specific functional areas/ Job Profile and his suitability	He is having 43 Years of experience in business & Industry and earlier appointed as Managing director of the company from 2017-2020	He is having 40 Years of experience in business & Industry and earlier appointed as Whole-time director of the company from 2017-2020	He is having 44 Years of experience in business & Industry and earlier appointed as chairman and Whole-time director of the company from 2017-2020
5.	No. & % of Equity Shares held	352299 (2.33%)	281105(1.86%)	389280 (2.58%)
6.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Besides the remuneration proposed to be paid to them, the Directors do not have any other pecuniary relationship with the Company. However Mr. Devendra Jain, Mr. Mukesh Jain and Mr. Surendra Jain, are Brothers.		
7.	List of outside Company directorship held	Pithampur Auto Cluster	NIL	NIL
8.	Chairman / Member of the Committees of the Board of Directors of the Company	Chairman	Member	NIL
9.	Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	NIL	NIL	NIL
10.	Past remuneration during the financial year ended 31st March, 2019	36,00,000/-	36,00,000/-	36,00,000/-

By order of the Board of Directors
Porwal Auto Components Limited

Place: Pithampur
Date: 27th August, 2020

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

COMPANY SECRETARY
HANSIKA MITTAL