

## PDS MULTINATIONAL FASHIONS LIMITED

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

**Tel:** 080-67653000, **Website:** [www.pdsmultinational.com](http://www.pdsmultinational.com); **E-mail:** [investors@psdmultinational.com](mailto:investors@psdmultinational.com)

**CIN:** L18101KA2011PLC094125

### NOTICE TO MEMBERS

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

#### **ORDINARY BUSINESS**

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

#### **SPECIAL BUSINESS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Place: Gurugram  
Date: 9<sup>th</sup> August, 2018

(**B. Chandra Sekhara Reddy**)  
Company Secretary

### Notes:

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

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

5. The statement pursuant to section 102 of the Companies Act, 2013 (the Act) is annexed hereunder and forms part of the Notice. As required under Secretarial Standard-2 and regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 (Listing Regulations), the relevant information of directors is enclosed as Annexure 1.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Corporate members intending to send their authorised representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 15<sup>th</sup> day of September, 2018 to 21<sup>st</sup> day of September, 2018 (both days inclusive).
9. The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permits Companies to send soft copies of the annual report to all those shareholders who have registered their email address with the Company/RTA/depository Participants. To support this green initiative, the shareholders holding shares both in physical/demat form are requested to register/update their email address with the Company/RTA/Depository Participants. Accordingly, the Annual Report for 2017-18, Notice for annual general meeting etc., are being sent in electronic mode to those shareholders who have registered their email address with the Company/RTA/Depository Participant. For those shareholders who have not opted for the above, the same are being sent in physical form.
10. Members may please note that Securities and Exchange Board of India ("SEBI") has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) as well as transferor(s) to furnish copy of PAN card to the Company/Share Transfer Agents for registration of such transfer of shares. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) deletion of name of the deceased shareholder(s), (ii) transmission of shares to the legal heir(s) and (iii) transposition of shares.  
  
SEBI has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated 8<sup>th</sup> June, 2018 and mandated that transfer of securities would be carried out in dematerialized form only w.e.f. 5<sup>th</sup> December, 2018. Therefore, members are advised to dematerialize shares held by them in physical form for effecting transfers in dematerialized form only post 5<sup>th</sup> December, 2018. Please refer investor FAQ's page (Dematerialisation of shares) on our website [www.pdsmultinational.com](http://www.pdsmultinational.com).
11. Pursuant to SEBI circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018, all the listed Companies are

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

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

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Tuesday, 18<sup>th</sup> September, 2018 at 09:00 AM (IST) and ends on Thursday, 20<sup>th</sup> September, 2018 at 05:00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date ("record date") of 14<sup>th</sup> day of September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders/Members.
- (iv) Now Enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

|                       | <b>For Members holding shares in Demat Form and Physical Form</b>   |
|-----------------------|---|
| 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 which is printed on Attendance Slip indicated in the PAN field.</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. or  |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <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 (iv).</li> </ul> |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) for the relevant Company Name viz. "PDS MULTINATIONAL FASHIONS LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK"; else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](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 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the Apple store and Windows store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date/record date i.e. 14<sup>th</sup> September, 2018 may follow the same instructions as mentioned for e-voting.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. Mr. R. Hariprasad Reddy, Practicing Company Secretary (Membership No. FCS 8477) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - III. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - IV. The Results shall be declared on or after the AGM of the Company. The Results declared along-with the Scrutinizer's Report shall be placed on the Company's website [www.pdsmultinational.com](http://www.pdsmultinational.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) within two(2) days of passing of the resolutions at the AGM of the Company

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

**EXPLANATORY STATEMENT:**

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

**Item No. 3:**

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

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

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

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

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

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

## PDS Multinational Fashions Limited

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

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

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

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

#### Item No. 4:

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

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

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

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

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

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

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

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

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

#### **Item no. 5**

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

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

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

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

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

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

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

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

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

#### **Item No.6**

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

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

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

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

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the Board, Mr. Ashok Kumar Sanghi fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as an Independent Director and that he is independent of the management of the Company.

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

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

Save and except Mr. Ashok Kumar Sanghi and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at the Item No. 6 of the Notice.

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

The Board recommends the Special Resolution set out at Item no. 6 of the Notice for the approval of the Members.

### Item No.7:

In pursuant to section 20 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactments thereof, for the time being in force) a document may be served on any member by sending it to them by Post or by Registered post or by Speed post or by Courier or by delivering at their office or address or by such electronic or through electronic transmission. It further provides that a member can request for delivery of any document to them through a particular mode for which they shall pay such fees as may be determined by the company in its Annual General Meeting.

Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out in Item No. 7 of the Notice relating to serving the documents to the members of the Company in a requested mode.

None of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested in the passing of the resolution set out at item no.7.

### Item No.8:

Pursuant to the provisions made under Foreign Exchange Management Act, 1999, as amended, and Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, a Non-resident Indian (NRI) or an Overseas Citizen of India (OCI) may purchase Capital Instruments of a listed Indian company on a recognised stock exchange on repatriable basis in aggregate upto 10% of the total Paid-up Equity Capital (on fully diluted basis). Further, the total NRI investment on repatriable basis in our Company as on 31<sup>st</sup> March, 2018 is 9.64% of total Paid-up Equity Capital and only 93738 equity shares i.e. 0.36% of total Paid-up Equity Capital can be further acquired by NRI or OCI.

Keeping in view, the interest of the Stakeholders/members and trading of stocks of the Company in open market through the trading platform provided by BSE Limited and National Stock Exchange of India Limited, the Board proposes to increase the aforesaid aggregate ceiling of 10% to 24% for NRI/OCI investment in the capital of the Company, hence, the Board recommends the Special Resolution set out at Item no.8 as a matter of abundant precaution to ensure the compliance of Foreign Exchange Management Act, 1999 and Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.

Accordingly, the Board recommends the Special Resolution set out at Item no.8 of the Notice for the approval of the Members.

None of the Directors/Key Managerial Personnel and their relatives are concerned or interested in the resolution set out at item no. 8.

**Annexure-1 to Notice:**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING**

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2]

| <b>Mr. Deepak Seth (DIN:00003021)</b>  |  |
|--|--|
| Age  | : 67 Years   |
| Qualifications   | : B.A (economics) and Master of Business Administration (MBA)  |
| Experience (including expertise in specific functional area) / Brief resume                        | : He is an active member of the Apparel Export Promotion Council of India ("AEPC") and held the post of "Vice Chairman" of the Eastern Region of AEPC for 2 years. He is also an executive member of the Apparel Exporters & Manufacturers Association (AEMA) and was awarded the "Udyog Ratna" Award by the Haryana Govt. in 2006 for his entrepreneurial skills. His knowledge of the business environment and vast experience in general management has been an asset to the Company. |
| Date of first appointment on the Board   | : 6 <sup>th</sup> April, 2011  |
| Shareholding in the Company as on 31 <sup>st</sup> March, 2018                                     | : 3155734 Equity shares  |
| Directorships and Committee memberships held in other companies as on 31 <sup>st</sup> March, 2018 | : Directorship in:-<br><ul style="list-style-type: none"> <li>• Pearl Global Industries Limited</li> <li>- Member of Audit Committee</li> <li>- Member of Stakeholders Committee</li> <li>• Pixel Industries Limited</li> <li>• PS Arts Private Limited</li> <li>• Digital Ecom Techno Private Limited</li> </ul>  |
| Inter-se relationships between Directors & Key Managerial Personnel                                | : Husband of Mrs. Payel Seth and Father of Mr. Pallak Seth   |
| No. of Board Meetings attended during the Financial year 2017-18                                   | : 2 of 5   |
| Terms and conditions of re-appointment   | : As the Company resolution passed by the shareholders of the Company on 1 <sup>st</sup> Annual General Meeting held on 19 <sup>th</sup> September, 2012 Mr. Deepak Seth has been appointed as Non-Executive Director, liable to retire by rotation.   |
| Details of last drawn remuneration and proposed remuneration                                       | : Nil.   |

Mr. Deepak Seth, the retiring Director, being eligible, offers himself for re-appointment. The Board of Directors of your Company propose to appoint Mr. Deepak Seth as a Director, liable to retire by rotation and therefore this Resolution is recommended for approval of the Shareholders of the Company.

None of the Directors & Key Managerial Personnel, except Mr. Deepak Seth, himself, Mr. Pallak Seth and Mrs. Payel Seth, being relatives, are interested, whether directly or indirectly, in this Resolution.

| <b>Dr. Ashutosh Prabhudas Bhupatkar (DIN: 00479727)</b>  |  |
|--|--|
| Age  | : 67 Years   |
| Qualifications   | : Bachelor in Commerce from Pune University, a Master in Management Studies from Bombay University and a Doctorate in Organizational Studies from Pune University. |
| Experience (including expertise in specific functional area) / Brief resume                        | : He has over 19 years' experience in the textile industry. He was the head of the Institute of Management Development and Research, Pune for 16 years.            |
| Date of first appointment on the Board   | : 26 <sup>th</sup> May, 2014   |
| Shareholding in the Company as on 31 <sup>st</sup> March, 2018                                     | : Nil  |
| Directorships and Committee memberships held in other companies as on 31 <sup>st</sup> March, 2018 | : Directorship in: - Twin Engineers Private Limited<br>- GLO IND Logistics Private Limited   |
| Inter-se relationships between Directors & Key Managerial Personnel                                | : Not related to any Director/ Key Managerial Personnel  |
| No. of Board Meetings attended during the Financial year 2017-18                                   | : 3 of 5   |

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| <b>Dr. Ashutosh Prabhudas Bhupatkar (DIN: 00479727)</b>      |  |
|--|--|
| Terms and conditions of re-appointment                       | : As per the resolution at Item No.4 of the Notice convening this meeting read with explanatory statement thereto, Dr. Ashutosh Prabhudas Bhupatkar is proposed to be re-appointed as an Independent Director. |
| Details of last drawn remuneration and proposed remuneration | : Last Drawn Remuneration: Sitting Fees of INR 66,000/- per meeting of Board.<br>Proposed Remuneration: Sitting Fees of INR 66,000/- per meeting of Board.   |

| <b>Mr. Ashok Kumar Chhabra (DIN: 06869497)</b>   |   |
|--|---|
| Age  | : 66 Years  |
| Qualifications   | : Bachelor in Law   |
| Experience (including expertise in specific functional area) / Brief resume                        | : He is a practicing Advocate since 1974 in the High Courts and Supreme Court of India. His core area of practice includes Civil matters, Criminal matters, Company law, Labour law, Arbitration and other Corporate Matters. Mr. Chhabra has served as legal Adviser to MMTC, Nestle India and other Corporates during his practice. |
| Date of first appointment on the Board   | : 26 <sup>th</sup> May, 2014  |
| Shareholding in the Company as on 31 <sup>st</sup> March, 2018                                     | : Nil   |
| Directorships and Committee memberships held in other companies as on 31 <sup>st</sup> March, 2018 | : Nil   |
| Inter-se relationships between Directors & Key Managerial Personnel                                | : Not related to any Director/ Key Managerial Personnel   |
| No. of Board Meetings attended during the Financial year 2017-18                                   | : 4 of 5  |
| Terms and conditions of re-appointment   | : As per the resolution at Item No.5 of the Notice convening this meeting read with explanatory statement thereto, Mr. Ashok Kumar Chhabra is proposed to be re-appointed as an Independent Director.   |
| Details of last drawn remuneration and proposed remuneration                                       | : Last Drawn Remuneration: Sitting Fees of INR 66,000/- per meeting of Board.<br>Proposed Remuneration: Sitting Fees of INR 66,000/- per meeting of Board.  |

| <b>Mr. Ashok Kumar Sanghi (DIN: 00011207)</b>  |  |
|--|--|
| Age  | : 68 Years   |
| Qualifications   | : Bachelor Degree in Science and Masters in Management from Jamnalal Bajaj Institute of Management, Mumbai.  |
| Experience (including expertise in specific functional area) / Brief resume                        | : He has rich experience in Project Management Consultancy, which provides services related to Detailed Architectural Engineering Design, Loan Syndication for various infrastructure projects under the Ministry of Textiles and Ministry of Electronics, Government of India. Further, he is also visiting as a professor at Bhartiya Vidya Bhawan, Delhi for MBA classes and Teaching Entrepreneurship, Corporate Social Responsibility and Ethics. |
| Date of first appointment on the Board   | : 26 <sup>th</sup> May, 2014   |
| Shareholding in the Company as on 31 <sup>st</sup> March, 2018                                     | : Nil  |
| Directorships and Committee memberships held in other companies as on 31 <sup>st</sup> March, 2018 | : Nil  |
| Inter-se relationships between Directors & Key Managerial Personnel                                | : Not related to any Director/ Key Managerial Personnel  |
| No. of Board Meetings attended during the Financial year 2017-18                                   | : 5 of 5   |
| Terms and conditions of re-appointment   | : As per the resolution at Item No.6 of the Notice convening this meeting read with explanatory statement thereto, Mr. Ashok Kumar Sanghi is proposed to be re-appointed as an Independent Director.   |
| Details of last drawn remuneration and proposed remuneration                                       | : Last Drawn Remuneration: Sitting Fees of INR 66,000/- per meeting of Board.<br>Proposed Remuneration: Sitting Fees of INR 66,000/- per meeting of Board.   |